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FINANCIAL TIMES

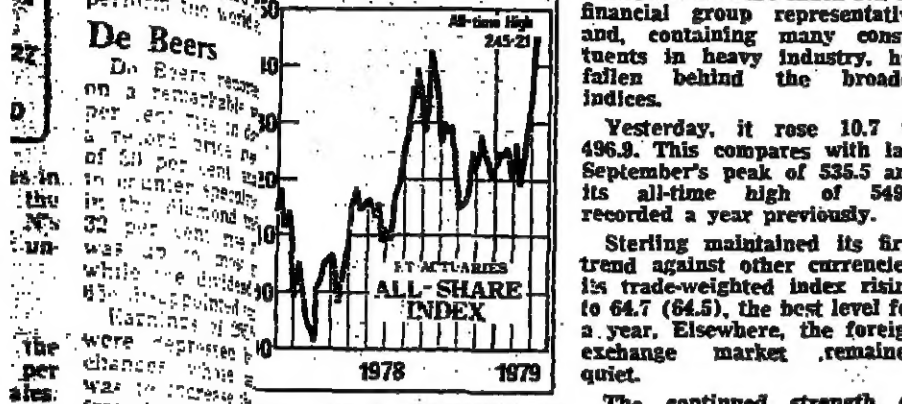
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NEW NEWS SUMMARY

FT All-share at record high

FT All-share reached yesterday's peak levels as measured by the FT-Actuaries All-Share Index, which rose 1.7 per cent to 452.1. The previous peak of 450.3 was recorded last November.



De Beers... The FT 30-share index has no financial group representative and, containing many constituents in heavy industry, has fallen behind the broader indices.

Yesterday, it rose 10.7 to 496.3. This compares with last September's peak of 535.5 and its all-time high of 549.2 recorded a year previously.

Sterling maintained its firm trend against other currencies. Its trade-weighted index rising to 64.7 (64.5), the best level for a year. Elsewhere, the foreign exchange market remained quiet.

The continued strength of sterling, coupled with yields on Government stocks still in excess of foreign counterparts, led to revived overseas enthusiasm for British funds.

WALL STREET was 9.35 down at \$35.93 near the close. GOLD closed \$2 up at \$241.

UK surplus on invisible trade declines

UK's traditional large surplus on trade in invisible items fell sharply last year, but a result of a big rise in net contributions to the EEC, and a sharp deterioration in the balance of shipping earnings.

BE CARB's unofficial tool-makers committee voted in Birmingham to join craft workers and recommend a total strike from March 16 over differentials.

GROUP of UK companies has signed a three-year contract for the annual supply of 685 tons of cobalt from Nchanga Consolidated Copper Mines of Zambia. The deal could be worth more than \$30m a year.

ALGERIA is proposing to its oil customers a premium of \$5.15 a barrel above the OPEC benchmark crude price for the second quarter. The present premium is \$1.47.

OCEAN TRANSPORT and Trading, the UK shipping group, may back a \$5m plan for up to three inland road and rail freight terminals. This could lead to a major transfer of freight from road to rail.

EMS could start next week after France lifts veto

BY ROBERT MAUTHNER IN PARIS

The European Monetary Scheme, whose introduction has been blocked since the beginning of the year, could start next week, President Giscard d'Estaing of France said yesterday.

The President was speaking after the Cabinet decided France should lift its reservations on implementation of the new exchange rate and change following the compromise agreement reached in Brussels by eight EEC members of farm pricing arrangements.

A report on the Brussels negotiations was made by Mr. Pierre Maignan, Agriculture Minister.

The President told the Cabinet that the UK's refusal to accept the compromise on the dismantling of monetary compensatory arrangements, the subsidies and levies on farm trade within the Community to offset exchange-rate fluctuations, should not be an obstacle to the introduction of EMS.

Since Britain did not intend to join the new currency system for the moment, the other members could go ahead without her.

The UK's stand in Brussels was criticised at the Cabinet meeting. A statement issued said that the French Government, like its seven partners, considered the British position on the problem of fixing farm prices to be unacceptable.

HOW IT WILL WORK

The European Monetary System will initially consist of an exchange rate mechanism, backed by extensive credit facilities, in which the currencies of all EEC members, apart from sterling, will be closely linked to each other.

Detailed proposals for EMS were first put forward last July at a summit of EEC leaders in Bremen. After lengthy negotiations approval for the go-ahead was given by a further summit in Brussels early last December, at which Britain announced its intention of not linking sterling to the other currencies. In late December France unexpectedly blocked the scheduled start on January 1.

£300m investment urged for electronics industry

BY MAX WILKINSON

A £300m investment programme, including large Government subsidies, is needed to prevent further decline in the UK consumer electronics industry, according to a report presented to the National Economic Development Council yesterday.

The report, which has been backed by the Government, suggests that Japanese technology should be the basis for a large part of the rescue operation.

The strategy drawn up by the consumer electronics working party of the NEDC was based on a specially commissioned report by the Boston Consulting Group.

It envisages a major restructuring of the UK consumer electronics industry into three large groups. Only one of these groups, based on Thorn, would be entirely UK-owned.

The second group would be Dutch-owned Philips. The third group would be dominated by the Japanese, either through UK manufacturing subsidiaries, or in joint venture companies.

The report says that UK production must be concentrated in plants with a capacity of about 500,000 television sets a year to achieve the economies of scale needed to compete with Far Eastern manufacturers.

Of the nine manufacturers in the UK, only Thorn and Philips at present had the sales volume needed to justify factories of this size.

However, four of the five major Japanese companies making television sets have now moved into the UK — two with manufacturing subsidiaries, and two in joint ventures with British companies. It is believed that all these Japanese ventures are capable of expanding production to the critical size.

The report does not spell out the consequences of the proposed £300m investment, which would be phased over five years. However, the assumption is that production in the UK would be almost doubled to about 8m colour sets a year, of which about 1m would be exported.

UK can go on fighting — Silkin

BY CHRISTOPHER PARKES

BRITAIN EMERGED from this week's Council of Ministers meeting in Brussels with a guaranteed 5 per cent price increase for farmers and with its ability to continue fighting for a freeze on common farm prices unimpaired.

Mr. John Silkin, Minister of Agriculture, claimed yesterday.

For the rest, he said, there was only a worthless "gentleman's agreement" on a Commission proposal for the semi-automatic phasing out of monetary compensatory amount taxes and subsidies on intra-Community farm trade.

The eight other member countries, agreed among themselves to behave as though the proposals were in force," Mr. Silkin told the Commons.

This is a decision for those member States but it has no effect in Community law.

"It is no way affects our ability to get a sustained freeze of common prices, nor have we accepted the automatic reduction of our own MCAs."

In any case, he could not see how the agreement could be made to work while he continued to block all increases in common farm prices, he told a Press conference.

Phasing out MCAs in West Germany, Holland and Belgium would have the effect of cutting farmers' prices in those countries. Increases in common prices, the Commission proposal says, would be applied to offset the MCA reductions.

But since Mr. Silkin flatly refuses to contemplate such increases, and given German insistence that farm incomes should not fall, the gentlemen's agreement appears to be unworkable.

"I don't know how they can dismantle MCAs while we won't allow them to raise common prices," the Minister said.

The Minister said he expected the 5 per cent devaluation of the "Green Pound" — the special exchange rate for sterling against the agricultural unit of account in which EEC farm prices are fixed — to take effect from the end of the month.

Support prices for beef and dairy products would rise immediately and prices for other commodities would probably be changed at the start of the respective marketing years.

Parliament, Page 12

NUPE plans to step up health dispute

BY OUR LABOUR STAFF

THE National Union of Public Employees executive yesterday voted to fight on for a better settlement in the hospital and ambulance workers dispute as the Government set up the standing commission which it hopes will resolve public sector pay problems.

Professor Hugh Clegg of Warwick University will chair the commission and its first inquiries will be into the local authority, hospital ancillary workers, ambulance and university manual workers disputes.

These public sector groups have been promised 50 per cent of any increases awarded by the commission in August and the remainder in April, 1980.

However, the NUPE executive — faced with a 4-1 vote by its hospital members against the peace formula and 7-1 rejection in the ambulance service — decided yesterday to keep the action going.

NUPE leaders will today make plans to step up the action in the health service. Action will also be continued among ambulance men but they are again being instructed to maintain emergency services.

The ambulance settlement was also rejected yesterday by members of the Confederation of Health Services Employees although their hospital members voted to accept.

NUPE members working for local authorities have, like those in other unions, accepted the settlement and all action in this dispute should come to an end this week. But the four unions involved now face difficulties in deciding their next moves in the health and ambulance disputes.

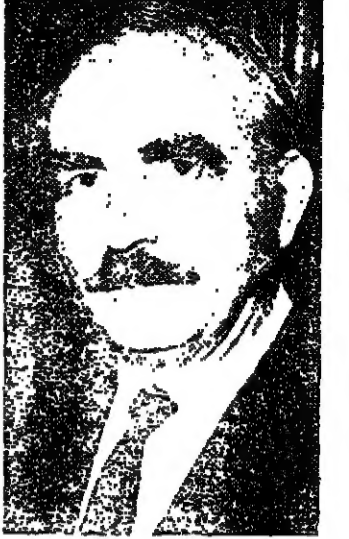
Mr. Alan Fisher, NUPE general secretary, pointed out that the number of NUPE auxiliary hospital workers alone rejecting the offer — more than 113,000 — was about half the workforce. This, he said, was something the other unions must take into account when deciding the next move.

In the ambulance dispute, General and Municipal Workers Union members have voted to accept the offer and Transport and General Workers members are being recommended to accept in a ballot which will be declared today.

The Prime Minister made it clear in the Commons that he expected the new Standing Commission to become a normal part of the long-term machinery for pay negotiations in the public sector.

"These new arrangements should help up in future years to avoid the dislocation and hardship that the public has suffered in recent weeks," he said.

Education authorities and teachers' unions agreed in London yesterday to study the possibility of referring the teachers' 1979 pay award to the new commission.



Prof. Clegg: Leading Commission

Big battle expected in Uganda

President Idi Amin took over the Chief of State of Uganda's forces to lead them against the Tanzanian-backed troops reported to be regrouping near Kaya, 50 miles from Kampala.

There was a lull in the fighting as both sides were apparently consolidating their forces and moving in supplies for what is expected to be a major battle.

Slush fund deal

General Hendrik Van den Bergh and Dr. Eschel Rhoodie, central figures in South Africa's "slush funds" scandal, made a secret deal in a Paris tel. The general said before he left Johannesburg that he intended to stop Dr. Rhoodie asking disclosures which could use an immense crisis in the South African Government.

Workers riot

French steel workers, protesting Government redundancy plans, fought with riot police at a police station with rioters. A special session of parliament to discuss the unemployment crisis is expected to take place at the end of this month.

Perjury probe

Police are investigating allegations of perjury against Tommy Docherty, former Manchester United manager, following his evidence in his libel action against former United player, Willie Morgan and Granada television, which he abandoned in mid-hearing.

ona safe

ona, the Scottish hotel industry, is to be sold to pay off debts, may be bought by the State. Officials of the Scottish Development Department will begin talks soon with the Duke of Argyll, the owner, and the National Trust or Scotland.

Briefly

Foreign visitors spent about £2,302bn in the UK last year. China said that some of its forces have returned to Chinese territory after their invasion of Vietnam.

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

Excheq. 123pc 1981 12024 + 1	Laganvale Est. ... 23 + 8
Excheq. 134pc 1987 2234 + 14	MFI Furniture ... 335 + 15
Allied Colloids ... 101 + 6	Muirhead ... 275 + 15
Assoc. Dairies ... 245 + 9	SGB ... 220 + 7
BBP ... 270 + 13	Sainsbury (J.) ... 376 + 27
Barratt Devs. ... 118 + 7	Status Discount ... 222 + 10
Bass ... 176 + 6	Trust Houses Forte ... 610 + 20
Beecham ... 668 + 18	Unilever ... 360 + 20
Brit. Car Auction ... 73 + 44	Williams & James ... 175 + 8
British Sugar ... 150 + 11	Woolworth (F. W.) ... 744 + 1
Burlion A ... 242 + 5	Cent. Pacific Mins. ... 470 + 70
Cornel Leisure ... 153 + 7	Pacific Copper ... 112 + 6
Cornel Dresses ... 20 + 44	Pancontinental ... 850 + 75
Diploma Invs. ... 258 + 16	South. Pacific Pet. ... 200 + 30
GUS A ... 354 + 15	FALLS:
GKN ... 251 + 9	Brentnall Beard ... 32 - 4
Hall (Matthew) ... 254 + 14	Christies Intl. ... 184 - 7
Kode ... 194 + 6	Man. Agency & Msc. ... 43 - 3
LWT A ... 157 + 10	Westwood Haws ... 444 - 12
	De Beers Defd. ... 444 - 12

S. African white miners strike

BY QUENTIN PEEL IN JOHANNESBURG

WHITE MINERS throughout South Africa's mining industry went on strike yesterday in a nationwide protest against the promotion of black workers.

This unprecedented action — the most widespread stoppage by white miners since the National Party Government came to power in 1948 — could cause total confrontation with the mine owners, who said last night that the strikers had dismissed themselves by their action.

The immediate cause of the one-day stoppage by up to 15,000 members of the all-white Mineworkers' Union is reported to be sympathy with an official strike by 150 union members at the U.S.-owned O'okiep Copper Mine in Namaqualand, Northern Cape.

But miners indicated they were also giving a warning against any further attempts to abolish job reservation for whites in the mines.

The Chamber of Mines, which represents all the main gold, coal and precious metal mining houses, said only a handful of pits were unaffected by the action.

A meeting of the Gold Producers' Committee (the industry's governing body) decided that the action was totally illegal, and all the workers involved had automatically terminated their employment, and would forfeit all accumulated privileges.

No indication came yesterday of the extent of lost production in the mines. Blasting in the strike job performed by the striking men — and the one they are determined to prevent black workers being trained to do.

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EUROPEAN NEWS

McNamara in W. German aid talks

BY ROGER BOYES IN BONN

MR. ROBERT McNAMARA, the president of the World Bank, held talks here yesterday with Chancellor Helmut Schmidt and other Ministers about the level of West German contributions to international aid agencies.

West German officials also see the talks as paving the way for the United Nations Conference on Trade and Development meeting in Manila in May, which may prove to be a watershed for Bonn's aid policies.

The two main inter-related issues on the agenda deal with the International Development Agency (IDA), an arm of the World Bank. Mr. McNamara is seeking to top up the agency's

capital fund which makes it possible for the IDA to give interest-free, 50-year credits to the poorest Third World Countries.

West Germany gave about DM 2bn (£531m) towards the agency fund — over 10 per cent of the total for the period 1977-79 but it probably will be expected to contribute more for the next three-year span, because of the recent large outflow of capital.

The second issue which Mr. McNamara will discuss with Herr Hans Matthöfer, the Finance Minister, is a proposal to double the overall capital base of the agency to \$40bn.

West Germany, as one of the largest World Bank contributors, supports the principle of a larger capital base, but its exact contribution to the expanded total is still uncertain.

Apart from these issues, Mr. McNamara will discuss the Manila UNCTAD meeting. Preparatory talks for the meeting are due to begin in Geneva next week and the Germans will have to decide their strategy beforehand.

West Germany is expected to come under fire from some Western and Third World countries for the relatively small size of its official aid programme. Although Bonn believes that the

internationally agreed level of 0.7 per cent of gross national product is correct, it has so far been able to allocate only about 0.3 per cent towards official aid.

Bonn, by way of defence, stresses that its private business concerns contribute much to Third World economies and that it makes a substantial contribution to multilateral aid programmes, such as those organised by the World Bank.

Mr. McNamara is expected to argue in Bonn during his three-day visit that if the Germans made a large contribution to the IDA, they could forestall the anticipated criticism at the Manila meeting.

Industrial unrest growing in Italy

By Rupert Cornwell in Rome

THE WILDCAT strike by air hostesses and stewards which has paralysed flights by Alitalia and the domestic airline Itavia moved into its 18th day yesterday with no sign of breakthrough.

The stoppage, to back sweeping demands for improved working conditions, shorter hours and improved fringe benefits, has been organised by the so-called "battle committees" at Rome airport. It has been disowned by the official unions representing the strikers.

The national airline has so far refused to enter into negotiations — despite losses estimated at more than Lira 1,000,000 per day — on the grounds that rampant absenteeism is at the root of the trouble. The Transport Ministry has tried in vain to mediate. It is now insisting that the union remains control over its own members, and will not deal directly with the committees.

Further meetings of the strikers were due this evening at Fiumicino Airport. But unless they decide to suspend their action, a journey in Italy, an uncertain proposition at the best of times, will remain an odyssey.

The airline deadlock is merely the most spectacular of a growing number of problems on the industrial front. Most are related to the difficult wage contract negotiations under way in key sectors, and are made no easier by the absence of an authoritative government to lead its good offices.

Engineering union workers yesterday organised a "day of protest" at Fiat plants up and down Italy over the car group's plans for investment in the depressed south. Building workers and manual labourers have also staged strikes in the past few days over their own contract negotiations.

The main engineering unions, representing 1.5m workers at companies like Fiat, Olivetti and Alfa Romeo are planning a further 18 hours of strikes this month to back up their 1979/81 claims, which include a shorter working week, increased pay and a greater say in management decisions.

The three biggest unions for their part have broken off joint talks with the employers' federation, Confindustria, amid deadlock over youth unemployment, job mobility and unregistered labour. It appears that the unions aim to secure from individual employers the concession they were finding it hard to wring from Confindustria.

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NUCLEAR POWER IN IRELAND

Fear fuels the protesters

BY OUR DUBLIN CORRESPONDENT

DELEGATES TO the annual conference of Ireland's ruling Fianna Fail party last month were treated to the spectacle of two Cabinet Ministers publicly changing their minds.

Modifications to a proposed levy on farm produce announced by Mr. George Colley, the Finance Minister, received the approval of the party's annual meeting. But of equal significance was the announcement by Mr. Desmond O'Malley, the Minister of Industry, Commerce and Energy, of a public inquiry into the proposal to build Ireland's first nuclear power station.

Mr. O'Malley's previous position was that planning regulations plus the need for enabling legislation would ensure sufficient opportunity for public debate. But he seems to have become concerned at the extent of public ignorance and fear on the subject of nuclear power.

The fears have been exacerbated by the nature of the anti-nuclear campaign. With some notable exceptions — some leading trade unionists and scientists — the campaign has been led by a strange alliance of environmentalists, proponents of alternative life-styles, and the radical Left.

Almost everyone has welcomed the decision to hold an inquiry but the intelligent opposition, with Windscale in mind, is doubtful about the chances of actually preventing the construction of the power station.

Certainly, last July's Government Green Paper gave little alternative to building at least one reactor.

The country's dependence on imported oil is worrying. Oil is responsible for 75 per cent of electricity generation, but Ireland has no proven oil reserves.

The country's limited indigenous fuel — peat and coal — together with hydroelectricity, accounted for only 20 per cent of the total energy demand in 1977.

Few would quarrel with the Green Paper's assertion that the dependence on imported oil should be reduced. The only possible short-term alternative

is imported coal, and there are plans to build a coal-fired power station with an initial generating capacity of 300 MW, which could be converted to oil in the event of the discovery of a major field in Irish waters.

But the Government is worried that this would still leave Ireland too dependent on imported fuel, even allowing for Britain's substantial proven coal deposits. One of the attractions of a nuclear plant is that three years' supply of fuel can be stocked easily whereas it is hard to store a supply of coal intended to last for more than a few weeks or months.

The Irish Government's decision to hold an inquiry into the plan to build a nuclear power station is in response to rising public fears about safety. The Government, however, is more worried by the country's dependence on foreign oil, which is likely to be increased if economic growth targets are met.

The second line of the Government's argument is that Ireland can expect substantial economic growth and therefore will use substantially more energy between now and 1990. The Green Paper suggests that electricity demand will rise by not less than one-third in the period.

Total energy demand should rise by the equivalent of 18m tonnes of oil equivalent, says the Paper, and the result will be "a large energy gap which must be filled in one way or another."

Critics of the Paper have challenged these assumptions. First, they suggest that a projected economic growth of 7 per cent a year between now and 1990, and 5 per cent thereafter, is unduly optimistic.

They question whether, even if the economy does grow so

quickly, energy demand will rise at the same rate as it did for most of the post-World War II period.

This line of argument has been strengthened by a recent, though distinctly controversial, report from Britain which suggested that the UK economy could grow at a reasonable rate between now and the end of the century yet leave energy demand static because of improved conservation techniques.

The Green Paper allowed for a saving in demand of 10 per cent through improved conservation in the next decade.

Most of the opposition has centred on the possible dangers of a nuclear station and the problems of waste disposal. The Electricity Supply Board (ESB) has argued that the dangers are negligible and that the waste problem probably will have been solved by the time waste is produced.

But their case has suffered a setback with the result of the Austrian referendum not to proceed with nuclear generation and an apparently growing body of opinion in the U.S. that nuclear stations may be more dangerous, and the waste disposal problem more intractable, than had been thought.

The ordinary person — and indeed hardly anyone outside the ESB — does not have the expertise to weigh up accurately the pros and cons. In the end he is as likely to be swayed by decisions taken abroad as by what is said at home.

Moreover, the Bantry disaster made many people realise that experts' assurances are not always cast-iron.

In the meantime, the ESB has chosen its site, at Carnaross Point, on the south-east coast, and may shortly make up its mind on the type of reactor it wishes to buy. The Board hopes to commission a 550 MW station in 1987-88 at a cost of around £250m at 1977 prices.

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David Satter visits Murmansk, the USSR's Arctic metropolis

Russia's 'civilised North'

THE LOW-LYING Arctic sun burns through the white mist for only a few hours in mid-winter as Murmansk, the world's largest city north of the Arctic circle, emerges from the total darkness of three months of polar nights.

Beyond the pillared stone buildings on Lenin Prospekt, the city's main street, the railway yards and massive harbour, with its steam-shrouded cranes and ocean-going ships, testify to the accident of geography which is the city's raison d'être.

Although 69 degrees north, Murmansk has the only ice-free port in North European Russia at the eastern end of the Gulf Stream. The city has become, therefore, a social laboratory for testing man's ability to thrive in arctic conditions.

Murmansk is 1,000 miles north-west of Moscow at the top of the sparsely populated Kola Peninsula. There are no nearby cities of any consequence and, with little in the way of cultural facilities, Murmansk is one of the most isolated cities of its size in the Soviet Union.

The most difficult adjustment for Murmansk's new residents, however, is getting used to three months of total darkness

between mid-October and mid-January. This is followed by a three month period in the summer when there is no darkness at all.

Under these conditions, Murmansk could have the same difficulty holding population as new cities in remote areas of Siberia. But although 5,000 to 8,000 persons leave Murmansk every year, the city's population has grown by 8,000 a year since 1959.

This is a tribute to the complex of economic, health and recreational measures designed to keep it functioning.

Murmansk is what its residents call the "civilised north" to distinguish it from cities in Siberia where conditions are primitive. There is a housing shortage in Murmansk as elsewhere in the Soviet Union, and many live in communal flats.

The most important incentive to work in Murmansk is economic. On arrival a worker receives a 40 per cent pay increase, raised at six monthly intervals by 10 per cent, until, after four years, he is earning at least 220 per cent of what he would have earned at a job further south.

point for Soviet goods shipments, actually stopped on February 14.

Despite difficulties, however, the port, which was the destination of Allied convoys during the Second World War, was soon operating again and this reliability in a country largely frozen in winter is what has made Murmansk an essential urban centre.

The impressive harbour is used extensively by the Soviet northern fishing fleet, which is serviced by Sovryba, the Soviet Union's largest fish processing combine. Although the catch from the Barents Sea is declining after years of over-fishing, Murmansk remains one of the Soviet Union's biggest fish centres.

The Soviet naval presence is even more important but less obvious. The northern fleet in Murmansk and the nearby submarine base of Severomorsk constitutes the greatest concentration of naval military power in the world. Western intelligence places the strength of the northern fleet at 51 surface ships and 138 submarines, of which 54 are nuclear powered.

The use by commercial and military shipping of the fabled Kola Bay is so intensive that there is no place on the bay set aside for recreational purposes. It is this concentration of activity, carried on for months in sub-zero cold and often in conditions of total darkness, which is made possible ultimately by the social measures to maintain Murmansk in a desolate area where snow falls 10 months out of the year

and trees only reach sapling size after 65 years.

The most important incentive to work in Murmansk is economic. On arrival, a worker receives a 40 per cent pay increase raised at six months' intervals by 10 per cent, until, after four years, he is earning at least 220 per cent of what he would have earned at a job further south.

The number of people employed in the fishing industry is expected to decrease with technological improvement and the declining catch in northern waters. Plans call for the development of light industry, including knitted ware, manufacturing and the opening of a vodka factory to save the cost of transporting bottles 900 miles up the railway line.

The goal of holding population in the far north would probably not be achieved, however, were it not also for Murmansk's comprehensive health care system. The long Polar night and a period in February and March when the sun shines but gives off no ultra-violet rays can cause severe vitamin deficiencies. These are warded off by ultra-violet lights in factories and schools and daily vitamin doses for every Murmansk resident at health points.

In the summer, Murmansk becomes a city without children as virtually every child is packed off to pioneer camp in the south. Adults have 42-day holidays — twice a year — what they would have in the south. People come to Murmansk in their twenties, spend 30-40 more years of their lives there, and then leave the city for a more comfortable existence further south.

The state encourages this. Salaries are high in Murmansk and so are pensions and generous. The retirement age is 55 for men and 50 for women compared with 60 for men and 55 for women in the rest of the USSR.

New lorry rules

REGULATIONS to reduce damage to bridges by tall vehicles, have come into force. They require the overall height, including load, to be shown in the cabs of some vehicles if it exceeds 12 ft as a reminder to drivers.

The vehicles include mobile cranes and lorries carrying machinery.

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protests Andreotti in final bid to stave off a spring election

BY RUPERT CORNWELL

quickly, energy rise at the same time. This line of thought has been strengthened by a report from the Italian government, suggesting that the economy could grow at 4.5 per cent in 1979. In a move which represents a marked constitutional departure, Sig. Sandro Pertini, the Italian President, designated Giuseppe Saragat, the former President, as Deputy President of the Republic. The new administration, headed by Sig. Pertini, is expected to take office on March 15. It is the last of a series of moves, which are seen as a complete reorganisation of the Italian government, aimed at restoring the country's economic and political stability.

finding a way round the political stalemate which has seemed to make elections a certainty.

Everything now depends on whether Sig. Andreotti can break the deadlock between the Communists (PCI) and Christian Democrats. This in turn hinges on whether the biggest parties can agree on the key issue of two left-wing independent Ministers in the new government.

Sig. Sargat yesterday made his participation in the new government conditional on the presence of independents. If they do not participate, there appears no way in which either Communists or Socialists could back Sig. Andreotti. The

premier designate would then be consigned to defeat.

But while the Communists have indicated they could go along with a government containing non-PCI left-wingers, the Christian Democrats have hitherto flatly refused to countenance the idea, on the grounds that such Ministers would merely be "camouflaged" Communists.

The re-nomination of Sig. Andreotti came after 48 hours of feverish activity here, which showed the impossibility of rebuilding a variant of the old Centre-Left formula, including the Socialists, but with the Communists in opposition. General elections in early May,

despite protestations of horror at the prospect from all major parties, had seemed hourly more likely.

Sig. Pertini, however, has insisted all along that it is his duty to explore every means of avoiding them, and yesterday's events are seen as his final attempt to hold the politicians to their word. Two likely sequences of events remain.

Either Sig. Andreotti in the course of his consultations with the parties in the outgoing Parliamentary majority will win approval for a government containing left-wing independents, one of whom almost certainly would be Sig. Altiero Spinielli, the former Italian EEC Commis-

sioner, who was elected to Parliament on a PCI list although he is not a member of the party.

In that case, the Prime Minister-designate would be able to build an administration backed by Christian Democrats, Republicans, Social Democrats and Socialists, with at least Communist abstention.

If he fails, Sig. Andreotti is nonetheless committed to submitting whatever government he can form to a vote. In the event of defeat, his stillborn administration would then have the task of organising elections, for which the date of May 6 has been widely pencilled in.

The crisis, now into its sixth week, will not help the Italian authorities to tackle the threat of a new upsurge in inflation, to which a number of indicators here have drawn attention in recent days.

Plan to reduce jobs at Lisnave agreed with unions

BY JIMMY BURNS IN LISBON

LISNAVE, PORTUGAL'S ship-repairing plant, is making cuts in its 10,000-strong workforce in an attempt to make the company more profitable, industry officials confirmed yesterday.

According to a plan agreed by management and unions, Lisnave will reduce its labour force by 1,000 this year through an early retirement scheme, which modifies that defined until now by Portuguese law.

Workers at the company have been eligible for retirement only after working for 35 years or after reaching the age of 60. The first figure has now been reduced to 10, while the age of retirement has been left optional.

People who retire as a result of the latest cutback will continue to receive their full salaries in compensation for the next two years.

Although orders at Lisnave have been increasing in recent months, the company has been adversely affected by the depressed state of industry internationally, rising costs and the domestic credit squeeze.

Lisnave, whose operations account for some 5 per cent of Portugal's total export earnings, is expected to record a loss of some Es 500m (£5.15m) for 1978, compared with a loss of Es 241m (£2.49m) in 1977.

The latest cutbacks, expected to take place in two phases, are clearly the product of a compromise between management and unions in a politically sensitive area of Portuguese industry.

The privately-owned Lisnave was at the centre of industrial militancy during the revolutionary upsurge here in 1975, and crippling stoppages resumed last year.

Significantly, details of the early retirement scheme are now only beginning to emerge after having been veiled in secrecy since discussions began last month.

Foreign investors hold off

BY OUR LISBON CORRESPONDENT

LACK OF incentives and the continuing political instability here are still dissuading foreign businessmen from making substantial investment in Portugal, according to an inquiry published yesterday by the leading state-owned newspaper, *Diário de Notícias*.

The survey was carried out among representatives of all the major chambers of commerce here, including the West German, U.S. and British chambers, which between them represent the largest volume of potential foreign investment in Portugal.

The main issues raised were Portugal's labour laws, which make it difficult to dismiss staff, restrictions on capital transfers, and the Government's strict prices policy.

While accepting that the foreign investment code, published two years ago, had helped create a "more generous climate," investors are still troubled by the Government's failure to settle the question of indemnities for companies nationalised, or seized illegally by workers, following the 1974 revolution.

Meanwhile, the Parliament yesterday announced that debate on the budget and short-term economic plan had been delayed for another week until March 18.

French seek to modify key part of Euratom Treaty

BY GUY DE JONQUIERES IN BRUSSELS AND ROBERT MAUTHNER IN PARIS

FRANCE intends to send a memorandum to its European nuclear partners asking for a modification of a key chapter of the Euratom Treaty which has been unilaterally restricting its independence in nuclear policy.

The French would have been content to let sleeping dogs lie if the European Commission and Court of Justice had not started to demand strict interpretation of the treaty, in sharp contrast to the leeway previously accorded to member-states.

In effect, France wants to end the absolute control of the Euratom supply agency over nuclear fuels produced in the Community, on which it has a right of option under the treaty, as well as the agency's exclusive right to conclude supply contracts for nuclear ores and fissionable materials.

The French Government, harassed by the Gaullist Party, which argues that the Euratom Treaty makes a mockery of France's independent nuclear force and its civil nuclear projects, has been struck particularly by two recent decisions by the Brussels Commission and the European Court of Justice.

The first was the Commission's veto of a proposed uranium supply and nuclear safeguards agreement between the UK and Australia, on the grounds that member-countries were prohibited by the treaty from signing bilateral contracts.

The French, who saw their own nuclear independence

threatened and were keen to conclude similar bilateral agreements, were even more upset by this ruling than the British.

The second was a ruling by the European Court of Justice last November that only the European Community, as distinct from individual member-states, could sign an international atomic energy agency convention on safeguards for the transport of nuclear materials.

What made things worse, as far as France was concerned, was that the court's ruling also included some strong language on the need to respect the controversial Chapter Six of the Euratom Treaty, which the French want to modify.

While full details of their proposals are not yet available, officials said France wanted to end the monopoly of the Euratom supply agency and give it no more than an ancillary role.

The French also want to protect their industrial interests, particularly the international links of their nuclear industry.

In Brussels, there has been mild relief that France has dropped its earlier aim of a wholesale revision of the Euratom Treaty and is now apparently seeking a more limited "adaptation" of its more restrictive provisions through the mechanism laid down in Article 76.

But it is not clear that the distinction between these two tactics will be very great. It is also feared that the French demands, if pushed too far, could provoke strong opposition from a number of its EEC partners — not least Germany. The result could be a politically-charged row which could split the Community.

Much will depend, of course, on the precise proposals advanced by France and the terms in which they are couched. But there is some resistance in Bonn and the Benelux capitals, to the idea of tinkering

with the EEC treaties at all, lest this lead to the unravelling of other strands holding the Community together.

Critics of France may well point out, too, that the EEC has tried on three previous occasions — most recently four years ago — to agree on adaptation of the Euratom Treaty under the provisions of Article 76, but that each time the discussions became bogged down.

Behind these objections lies a deeper suspicion about France's motives. The smaller countries, particularly Belgium, fear that Paris may want to undermine one of the central principles on which the Euratom Treaty is founded — the creation of a single market in nuclear supplies.

They are concerned that France may use its political weight as a military nuclear power to acquire commercial advantages in the civil nuclear field, and perhaps dictate to its EEC partners the terms on

which it is prepared to carry out operations such as the reprocessing of spent nuclear fuel.

Such questions also worry Germany, which has traditionally insisted that there should be no discrimination between EEC states in the civil nuclear field.

Against this, it may be argued that the far-reaching monopoly powers over civil nuclear supplies vested in the EEC by the Euratom Treaty have never been exercised, and that in any case they were designed in an earlier day.

Single industry Moreover, France would not doubt assert that the creation of a single EEC nuclear industry envisaged by the Euratom Treaty is unlikely to be realised in the foreseeable future.

The French viewpoint, with its emphasis on national independence in the nuclear field, evidently strikes a chord with

the UK. But the British Government has so far hesitated about throwing its weight behind the French demands.

This reluctance apparently stems in part from uncertainty about what exactly France has in mind, and also partly from the suspicion that it is motivated by a hostility towards U.S. "nuclear imperialism," which the UK does not share.

The EEC Commission is acutely aware that it could be caught in an awkward political cross-fire between France's demands and the obligations imposed on Brussels by the European Court decision last year to enforce the Euratom Treaty provisions fully.

A special task force has been set up inside the Commission to try to search out grounds for compromise. But at present, officials appear undecided whether to lend support to the French case or, rather, to try to work out a more flexible formula for applying the treaty's provisions as they stand.

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October 1, 1981

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Giscard may try to delay special Assembly session

BY ROBERT MAUTHNER IN PARIS

THE EXTRAORDINARY session of Parliament, demanded by M. Jacques Chirac, the Gaullist leader, to debate the unemployment situation, is expected to take place later this month.

The Communists have now joined the Gaullists and Socialists in signing the identical letters required by the Constitution for the recall of Parliament for a special session.

The Gaullist leader's demand is therefore certain to obtain the signatures of the necessary absolute majority of National Assembly Deputies.

The only question over the session is whether President Giscard d'Estaing will sign the decree convoking Parliament. But, given the present climate of industrial unrest and discontent, it is expected that he will comply with the wishes of the majority of the country's elected representatives.

The President will not make his decision, however, until Sunday, after his return from an official visit to Romania. Since the National Assembly is, in any case, due to be recalled for a normal session on April 2, the President could well try to delay the extraordinary session until just before that date. That would be an attempt to show the country that the whole exercise was no more than a political manoeuvre.

Meanwhile, M. Chirac, whose prestige took a knock earlier this week when his closest political adviser, M. Yves Guenau, a former Minister and secretary-general of the Gaullist Party (RPR), resigned, has moved quickly to repair the damage.

By appointing M. Claude Labbé, the leader of the Gaullist parliamentary group, to succeed M. Guenau, M. Chirac, clearly hopes to defuse some of the criticism of the way the party is run.

Steelworkers battle with riot police

DÉNAIS — Steelworkers

whose jobs are threatened by government plans to restructure the industry fought steel battles with riot police yesterday after they tried to storm the main police station here.

A crowd of about 1,500 brought up bulldozers in an attempt to smash down the door of the building in its industrial town near the border, eyewitnesses said.

A strong force of riot police beat off the attack under a hail of stones from angry demonstrators. Two steelworkers were reported seriously hurt in the fighting.

The steel restructuring plan would mean an estimated 21,700 redundancies nationwide by the end of next year. Denain and the town of Longwy in Lorraine would be the places worst hit by the cut-backs.

Réuter

NOTICE OF REDEMPTION

To the Holders of

THE INDUSTRIAL BANK OF JAPAN FINANCE COMPANY N.V.

9 1/4% Guaranteed Notes Due 1982

NOTICE IS HEREBY GIVEN that, pursuant to the provisions of the Indenture dated as of April 15, 1975, providing for the above Notes, \$398,000 principal amount of said Notes bearing the numbers set forth below have been selected for redemption on April 15, 1979, at the redemption price of 100% of the principal amount thereof, together with accrued interest thereon to said date, each in the denomination of U.S. \$1,000 as follows:

Outstanding Notes bearing serial numbers with the prefix letter "M" and ending in the following two digits:

Also Notes bearing the following serial numbers with the prefix letter "M":

83 1863 3783 6183 8083 9883 1183 1283 1483 1683 1883 2083 2283 2483 2683 2883 3083 3283 3483 3683 3883 4083 4283 4483 4683 4883 5083 5283 5483 5683 5883 6083 6283 6483 6683 6883 7083 7283 7483 7683 7883 8083 8283 8483 8683 8883 9083 9283 9483 9683 9883

On April 15, 1979, the Notes designated above will become due and payable in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts. Said Notes will be paid, upon presentation and surrender thereof with all coupons appertaining thereto maturing after the redemption date, at the option of the holder either (a) at the corporate trust office of Morgan Guaranty Trust Company of New York, 30 West Broadway, New York, N.Y. 10015, or at the office of The Industrial Bank of Japan Trust Company in New York City, or (b) at the main offices of Morgan Guaranty Trust Company of New York in New York City, or at the main offices of The Industrial Bank of Japan in London, or the office of Industriebank of Japan (Deutschland) Aktiengesellschaft in Frankfurt am Main, or the office of Industriebank of Japan (Luxembourg) S.A. or the main office of Banque Generale du Luxembourg S.A. in Luxembourg, or the main office of Banca Vorwiler & C. S.p.A. in Milan or Rome. Payments at the office referred to in (b) above will be made by check drawn on a dollar account, or by transfer to a dollar account maintained by the payee, with a bank in New York City.

Coupons due April 15, 1979, should be detached and collected in the usual manner.

On and after April 15, 1979, interest shall cease to accrue on the Notes herein designated for redemption.

Dated: March 8, 1979

THE INDUSTRIAL BANK OF JAPAN FINANCE COMPANY N.V.

NOTICE

The following Notes previously called for redemption have not as yet been presented for payment:

M- 97 152 231 709 757 779 789 834 1278 3179 12880 14634
158 230 703 710 768 784 814

ENTER THE PHILIPS VIDEO AGE COMPETITION.

Rent or buy any new Philips TV or VCR between 1st February and 31st March and you can enter the Video Age Competition.

The prizes, shown here, are probably the most advanced ever offered in a competition. And we're giving away 2 complete sets of prizes, one in our February competition and one in our March competition. That's a grand total of over £170,000 of prizes!

Rent or buy a new Philips TV or VCR and you can enter the Video Age today. Here's your entry form. The rest is up to you.

HOW TO ENTER THE VIDEO AGE.

It's easy. Simply study the five "Video Age" questions below and decide which of the three answers to each is correct. Enter the answers in the boxes provided.

Then just complete the unfinished sentence in no more than 10 words and you're almost there. Now all you have to do is fill in the rest of the entry form — your name and address, the name of your Philips dealer and the date on which you purchased or rented your new Philips TV or VCR.

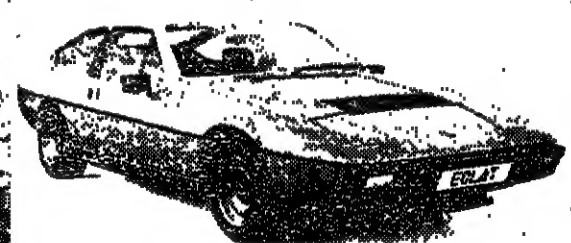
We also need the model number and serial number of your new set. It's printed clearly on the back of the set, but if in doubt ask your Philips dealer. Completed entry forms should be posted to: Philips Video Age Competition, P.O. Box 3, Horley, Surrey RH6 9ER.

There are two closing dates for entries. If you rent or purchase in February, entries must be received on or before last post on 15th March. For the March competition the closing date is 17th April 1979.

A complete set of rules is available on application from the Philips Video Age competition address.



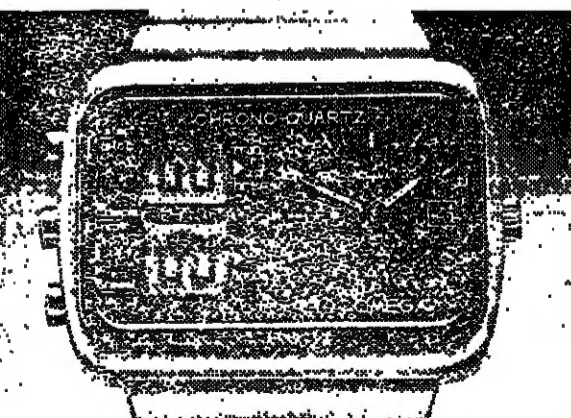
WIN A HOUSE TO THE VALUE OF £60,000.



WIN A LOTUS ECLAT.



WIN ONE OF 6 TRIPS FOR 2, BY CONCORDE TO THE U.S.A.



WIN ONE OF 30 OMEGA CHRONO-QUARTZ WATCHES.

Use your skill and judgement to select the correct answers to these "Video Age" questions.

1. Where were the very first TV transmissions made? (a) U.S.A.; (b) Holland; (c) Great Britain.

2. When was colour TV first publicly broadcast in the United Kingdom? (a) 1963; (b) 1967; (c) 1970.

3. Satellites are now an important link in worldwide TV broadcasts. Which was the first communications satellite? (a) Spoutnik; (b) Apollo 9; (c) Echo 1.

4. Who is credited as the inventor of television? (a) John Logie Baird; (b) Thomas Edison; (c) Alexander Graham Bell.

5. Which company pioneered domestic video recording in the U.K.? (a) Philips; (b) JVC; (c) Sony.

Put your answers in the boxes provided.

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4	5	

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OVERSEAS NEWS

CRISIS IN SOUTH AFRICA'S MINES

Black workers still face 1922 demarcation

BY PAUL CHEESERIGHT RECENTLY IN JOHANNESBURG

"WORKERS OF the world unite—and fight for a white South Africa." The slogan, as it happens, was adopted by a commando of the white Mineworkers Union in 1922 when there was a bloody strike against the plans of the gold mine owners to set aside certain categories of semi-skilled work for black employees.

Such an exclusive view of proletarian solidarity would now be just a curiosity were it not for the fact that the present leaders of the Mineworkers Union adopt precisely the same attitude in the face of what is these days called black advancement—a movement which would create black miners out of black labourers.

"We will resist with the same resistance as in 1922," says Mr. Arrie Paulus, the secretary. There is a strong element of historical continuity in the outlook of the white mine employees towards the blacks and this is enshrined in law. Acts of 1911 and 1926 define what black employees can and cannot do in the gold mines and in effect these maintain the wage superiority of the whites and create an economic colour bar.

Attempts to erode this bar have periodically been made by the mining houses largely because, at least until the 1960s, the application of these acts curbed the use which could be made of cheap labour.

Today black mineworkers total more than 400,000, and they outnumber whites by ten to one. The gold mines are, indeed, the largest employers of black labour in South Africa.

The erosion of the colour bar in the mines would therefore have repercussions throughout South African society.

Labour patterns have been changing for some years. As an Anglo-American Corporation document of June 1972, signed by Mr. Harry Oppenheimer, the chairman put it: "The fundamental cause is the fact that the economy has expanded to a point where the white population is not capable of manning it in terms of the traditional colour bar system."

The Nationalist Government accepts this to the point that it

has embraced a policy against job discrimination as such. But changes, it argues, should be negotiated with the unions. Thus the Mineworkers Union still has considerable power of obstruction.

And the power is solidly based both at a political and industrial level. In the first place the union's Afrikaner leadership has close ties with the Government.

Secondly, the Chamber of Mines, which groups together the seven mining-house employers and acts as the industry negotiating body, is less strong than the sum of its parts. The necessity to establish a unanimous position out of divergent priorities reduces negotiating flexibility and cuts the scope for bold initiative. It is a weakness the Mineworkers Union can exploit.

Arguably the industry has now reached a position from which it cannot turn back, and it is this which weakens the position of the Mineworkers Union at an economic level.

Money being spent on higher black wages, improved accommodation and so on is changing the cost structure of the industry at a time when productivity generally is declining. Mines have to be more flexibly run and they need a more stable labour force. Stability and flexibility do not run hand-in-hand with a statutory colour bar.

The total cost of employing black labour in 1977 amounted to 28.8 per cent of operating costs, compared with 18.1 per cent in 1965. Black wages have risen sixfold since 1972 and the gap between them and white labour costs has narrowed.

Mr. Oppenheimer, the best known industry proponent of black advancement whose group produces 40 per cent of South African gold, made clear in 1972 that "actions taken in terms of the labour policy will have to be pragmatic."

The main factor behind early moves to push up black wages was not humanitarian but economic and political. For decades the gold mines had drawn in cheap labour from neighbouring countries—there



had been little inclination among the traditionally rural South African blacks to work in the mines.

But in the early 1970s the external political atmosphere began to change.

The first result was a radical redistribution in the racial composition of the black work force which brought the industry face to face with wider movements for social change within South Africa. The gold mines were no longer a local industry using foreign labour but a local industry using local labour.

The second result was that the two lines of an old argument, going back to the turn of the century, began to crumble. In essence these were whether the gold mines were better off with a large, cheap black labour force or whether there should be a push towards greater mechanisation and the use of more capital-intensive mining techniques.

Since the early 1970s there has been some departure from

the first line of argument, which was the industry norm, but only limited movement down the second. Yet the ability of the industry to pay a large black workforce higher rates than at present is intertwined not only with the narrow issue of mechanisation but with the wider question of productivity.

Assuming normal business practices, an increased cost in one place has to be met with a decrease in another or a rise in the product selling price.

While the liberation of gold from its old official price of \$35 an ounce has given the industry greater financial strength, this has been offset to a considerable extent by the higher tax liability, the escalation in running costs, the generally lower grade of ore which has to be mined, the greater costs of mining deeper and deeper and a shorter working fortnight.

In 1977 South African gold output was at its lowest level for 15 years, and last year was only slightly higher. In short,

the industry needs to produce more. Higher production would be the pay-off for higher wages and better working conditions. The industry may acknowledge social responsibility, but it does so only within its own economic context.

The first essential condition for higher production is a more stable labour force. There is little point in training a man for a job if he is only going to work at it for a few months. It is at this point that industry plans run into the problems caused by the Government's homelands policy, the wider application of the colour bar.

Black mine workers come from the homelands on short-term contracts. With family ties and agricultural responsibilities in the homelands, there is little reason for them to adopt permanent, monastic residence in the hostels of the mines. The Chamber of Mines is now offering bonuses for those who will opt for re-engagement. The nearest the mines are likely to come towards a permanent labour force is a circulating body of workers. There is little chance that the system of migrant labour will be abandoned.

But the industry is seeking to minimise the effects of this system by building mine townships so that eventually 10 per cent of the black labour force will be permanently housed.

Government regulations at present allow for the housing of 3 per cent, but the industry has so far achieved only 1 per cent. The opening up to blacks of skilled jobs underground depends on winning the Mineworkers Union's agreement to the abandonment of statutory job reservation, symbolised by a law which gives only whites the right to hold a blasting certificate and thus the right to break up the rock.

Ironically, about the only immediate concession the industry can offer the Mineworkers Union for giving up what it considers a natural right is a five-day week, the chance to work less when the economics of the situation suggest they need to work more.

Oil majors start talks on Iranian supplies

By Andrew Whitley in Tehran

OIL COMPANIES from around the world, including most of the "majors," have begun negotiations in Tehran on long-term purchase contracts with the National Iranian Oil Company.

Western oilmen are engaged in a high stakes guessing game with each other and with the smaller, independent companies from Japan and Western Europe anxious to exploit the opportunities presented by the loss of the BP-led consortium's privileged position.

Sig. Giorgio Mazzanti, the chairman of the Italian state oil company ENI, is expected in Tehran this week-end. A team from its French counterpart, CFP, may also come shortly.

CFP is known to have already opened talks with Iran. At least three Japanese oil concerns, including the Mitsubishi company, have either begun discussions or are expected to do so soon.

The indications here are that the 14 members of the consortium, Iran Oil Participants (IOP), are acting independently in trying to secure their future supplies, following Iran's refusal to deal with them as a group.

With NIOC actively "talking up the market," as one foreign diplomat put it yesterday, the "majors" face a difficult dilemma. Unless they initiate serious negotiations for Iranian crude they are liable to lose out to their more aggressive, smaller rivals in the competition to secure a share of what is still an important oil source even if it is only half its previous size. But early interest will also help to maintain the high prices average on spot contracts already signed.

Local reports say NIOC has already concluded five agreements for the export of crude oil. The third shipment since Monday's restart, purchased by Ashland Oil of the U.S., leaves Iran today. Loadings are to take place every other day for the next fortnight.

Production yesterday was said to be up to 2m barrels, which would allow an export surplus of some 1.3m barrels.

Bazargan denies he has quit as pressures grow

BY ANTONY McDERMOTT AND ANDREW WHITLEY IN TEHRAN

REPORTS that Dr. Mehdi Bazargan, the Prime Minister chosen by the Ayatollah Khomeini to head a provisional Government, has resigned, have gained such strength that one newspaper here reported it at length on the front page yesterday. But the Prime Minister's office has denied the resignation.

Two weeks ago, however, Dr. Bazargan threatened to resign because of the challenge to his authority by local committees. This threat, and the latest reports, emphasise again how vulnerable his position is. Fears exist that the troubled political situation could descend into chaos if he resigned, and few observers can think of a successor broadly acceptable to the groups and parties jostling for power.

Dr. Bazargan's weakness stems from the fact that there are two Governments in Iran with little to link them. On the one hand, there exists the shadowy and unstructured Government by Islamic committees and subcommittees, directed by the Ayatollah Khomeini from Qom, 90 miles south of Tehran.

On the other, there is Dr. Bazargan's Government, formal in the sense that it has a Western-style Cabinet. But outside these two "Governments" are thousands of self-appointed and unco-ordinated committees, carrying out their own arrests and justice before revolutionary courts, usually in the name of Islam.

Two incidents suffice to show the isolation of the Prime Minister. First, Dr. Bazargan was unaware of the initial executions of generals until the following morning.

Second, last Saturday, armed militiamen arrested Mr. Ahmed Baniaslam, a former Majlis Deputy and long-standing opponent of the Shah, while he was on his way to meet Dr.

Dr. Ali Movlavi, new governor of the central bank, yesterday mapped out highly conservative monetary policies and said international creditors had nothing to fear.

Iranian private banks would not be nationalised, nor would the foreign role in the Iranian banking system be eliminated, and Iran would scrupulously honour its foreign debt.

Cairo doubts about Carter visit

BY ROGER MATTHEWS IN CAIRO

SEVERAL EGYPTIAN Cabinet Ministers have indicated privately that they will vote against a peace treaty with Israel if it appears unlikely to win the support of other moderate Arab states.

One Minister said yesterday: "I am astonished by President Carter's visit and the fact that he appears willing to risk his presidency on such flimsy grounds. I and several of my colleagues cannot support a bilateral peace treaty which does not form the real basis of a comprehensive Middle East settlement."

As hectic preparations continued in Cairo for Mr. Carter's arrival today, former senior Ministers also said they were

hemmed by what appeared to them an emotional U.S. decision and by the "colossal effort" that was being made to get President Anwar Sadat's signature to a peace treaty.

They feared that Mr. Carter would be unable to wring sufficient concessions out of the Israelis to prevent a hostile wave of anti-Egyptian feeling in the rest of the Arab world.

One present cabinet minister added: "From what I understand of the latest proposals I do not think we can sign a peace treaty and be consistent with everything we have said in the past 18 months. Neither do I think that Israel is willing to sign a treaty that would provide a just solution to the Palestinian problem."

Concern was also voiced at the timing of the U.S. decision to order the aircraft carrier, Constellation, and supporting warships to the Gulf. One senior official said there was a risk that the decision would add to the feeling in the rest of the Arab world that President Sadat was being sought by the U.S. as a replacement for the Shah.

A carnival-style welcome is being planned for Mr. Carter and his party of 500, which includes 200 journalists. It is expected that he will have three formal sessions of talks with Mr. Sadat. He is also expected to address the People's Assembly (Parliament) and to visit Alexandria.

Supreme Court split may save Bhutto

By Chris Sherwell in Islamabad

THE POSSIBILITY emerged yesterday that Mr. Bhulkar Ali Bhutto, the former Prime Minister, might yet escape the death penalty on legal grounds because of a further difference of opinion among the Supreme Court judges hearing a review of the judgment they passed last month.

The seven-member court then confirmed by a 4-3 majority the death sentence passed on Mr. Bhutto in the Lahore High Court.

In a tense atmosphere in the Supreme Court yesterday, Judge Sadr Shah—one of the three judges who had earlier entered a minority opinion for Mr. Bhutto's acquittal—asked what would happen if one of the four majority judges changed his mind either because of a genuine error in judgment or because he believed that the death penalty was not appropriate.

The question has inevitably intensified the belief here that one of the four judges is indeed reviewing his opinion—a possibility that could mean that Mr. Bhutto might be sentenced to life imprisonment instead of being hanged.

Mr. Bhutto's defence counsel Mr. Yahya Bakhtiar repeated that the original four-three split among the judges constituted sufficient reasons to justify a lesser sentence. He insisted that his point was strengthened by the fact that the three man minority had actually acquitted Mr. Bhutto rather than find him guilty on lesser charges.

The Chief Justice Mr. Anwar-ul-Haque also asked the prosecution for submissions on implications of one of the four man majority changing his mind. The hearing will be resumed on Sunday.

Belgian paratroop pullout in Zaire strains relations

BY OUR FOREIGN STAFF

BELGIUM'S DECISION to pull its 250 paratroopers out of Zaire next week has provoked more speculation about strained relations between Brussels and Kinshasa. At the same time President Mobutu Sese Seko has announced a Cabinet shake-up which brings Mr. Nguzu Karl I Bond back into the Government as Foreign Minister.

The appointment of Mr. Karl I Bond is a remarkable turn in fortunes for a man who was sentenced to death for treason by President Mobutu in September 1977. Observers say that one of the main reasons for the treason charge was the Western Press's insistence on citing Mr. Karl I Bond as a possible successor to the President.

The Belgians say they are withdrawing their paratroopers on March 15 at the end of their training mission. A Foreign Ministry spokesman said it had been planned that the troops should stay for six weeks to help train Zaire's army. But there have been reports that the troops were also there to protect Belgian citizens in the country against the possibility of violence.

The strained relations between Zaire and its former colonial master began with the second invasion of the southern Shaba mining province by Katangese rebels last summer. President Mobutu is thought to bear the Belgians a grudge because the French responded more quickly to his call for foreign intervention to drive out the invaders.

Diplomats say that the return of Mr. Karl I Bond to office is a hopeful sign. But the recent reports that Zaireans were still evading the strict conditions imposed by the International Monetary Fund team, in the country at present, has reinforced the gloomy predictions about the future of the giant copper- and cobalt-rich nation.

The reports said that \$3m worth of the strategic mineral cobalt had been sold on the open market and the receipts had not passed back to the Zaire Central Bank as demanded by the IMF team.

Hanoi attacks 'acts of war'

BANGKOK—Vietnam said yesterday that it would allow Chinese troops to withdraw some provided they committed no acts of war, but he added that they still had 18 divisions inside the country. "It is to be seen if all of these withdraw beyond the historic boundary between China and Vietnam."

Mr. Nguyen Viet Nam vice-chairman of the committee for relations with foreign countries, said the Chinese had failed in their drive to capture major elements of the Chinese forces are withdrawing and that there does not seem to be any large-scale Vietnamese counter-attack.

In Hanoi, Colonel Nahim Tuc, a member of the editorial board of the army newspaper



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AMERICAN NEWS

Texaco rationing air fuel supplies

By John Wyles in New York

TEXACO confirmed yesterday that it is rationing supplies of aviation fuel in the U.S. this month, amid further indications that spot shortages are forcing cancellations of some airline flights.

No main U.S. airline has yet reported any serious disruption of its schedules because of tight fuel supplies. But some are seeking to ease their difficulties by cancelling off-peak services and those with low-load factors.

United Airlines, the nation's biggest carrier, has scrubbed 429 of its 12,000 weekly flights until the end of this month.

This has largely been prompted by an allocation from Shell which is limiting supplies to the levels of last March.

The number of flights affected is only 3.4 per cent of United's total departures and compares with the cancellation of 4,924 of its flights in January because of the severe weather.

Aviation fuel might have been in short supply this spring even without the problems caused by the shut-off of oil from Iran.

Explaining that it was allocating supplies in the proportion of 80 per cent of deliveries last March, Texaco claimed yesterday that the Iranian crisis had caused a scarcity of light grades of crude oil best suited for refining into aviation fuel.

Most U.S. airlines feel confident the present spot fuel shortages will not seriously affect their activities.

Eastern Airlines says it may cancel 35-40 of its 1,500 daily flights, while Delta has been cancelling a handful. By and large, fuel problems are not affecting the start of many new services following airline deregulation.

The industry generally believes that the problems will be short-lived and that the Carter Administration's recent deregulation of aviation fuel prices will spur greater production.

But this may push up increases this year in jet fuel costs from 10 per cent to 15 per cent. In a possibly related move, United disclosed yesterday that it is applying to the Civil Aeronautics Board for a general 1.2 per cent increase in fares from mid-May. The increase was necessitated by rising costs, including fuel and labour, it said.

Arthur Sandles, adding from Denver: Serious problems for the world's travel industry look increasingly likely this summer. Airline fuel shortages and price rises are already affecting the industry and hoteliers, resorts and tour operators are worried.

U.S. airlines—United and Continental Airways—are starting to cut their services to conserve fuel. This inevitably restricts the numbers of seats and reduces the availability of the cut-price fares which have so stimulated traffic.

Sharp rises in petrol costs for motorists also affect tourism, and in Colorado there is alarm over the prospect of a compulsory week-end closure of U.S. petrol stations. "For us, that would be a disaster," said a local tourist official.

Peru lifts state of emergency

LIMA—Peru's military rulers have lifted the state of emergency imposed in response to a planned general strike. The state of emergency had lasted 59 days.

Constitutional guarantees had been restored, an official statement said yesterday, but it added that police still had authority to detain anyone without charge. Reuter

Reagan supporters set up campaign committee

BY JUREK MARTIN, U.S. EDITOR, IN WASHINGTON

MR. RONALD REAGAN'S third bid for the U.S. Presidency took a large, formal step forward yesterday, when it was announced in Washington that an exploratory campaign committee was being set up on his behalf.

This is a technical move under U.S. election laws. It enables the committee to raise and spend money on behalf of a candidate without tying his hands or irrevocably committing him to run. In Mr. Reagan's case, it will mean that he can continue his radio broadcasts and newspaper columns, which are his prime source of personal income and a major forum for him to expound his conservative political philosophy.

Yesterday's move has long been expected. Mr. Reagan has been telling his associates that they could assume he was running in 1980 for the Republican nomination, and he has already assembled the nucleus of a campaign staff, including some

of the principal advisers who took him so close to the nomination against former President Ford in 1976.

The most recent Gallup poll confirmed that Mr. Reagan, the one-time film actor and two-term Governor of California, remains the favourite to take the Republican prize despite his age. He will be 69 next year.

The survey of registered Republican voters found Mr. Reagan with the support of 31 per cent, former President Ford with 26 per cent, Mr. John Connally, the former Treasury Secretary (already a declared candidate) with 12 per cent, and Mr. Howard Baker, the Senate minority leader, with 8 per cent. The balance is scattered between 11 other possibilities, none having more than 3 per cent, and the don't know.

If Mr. Ford were not to compete, as seems increasingly likely, Mr. Reagan's lead widens to 43 per cent, compared with

16 per cent for Mr. Connally, 9 per cent for Mr. Baker, and less than 4 per cent for the rest. The first declared candidate, Mr. Philip Crane, the ultra-conservative Congressman from Illinois, comes out with 2 per cent in both measurements.

Mr. Reagan's political base seems most secure in the so-called "sun belt"—from Florida to Southern California. He has, however, never done especially well in the industrial heartland or the North-East, where a good number of the critical early primaries next year are concentrated.

In particular, contenders like Mr. Crane and Mr. George Bush, the former Ambassador to the UN, have been hard at work for several months in New Hampshire, which holds the first primary, and claim to have made inroads into Mr. Reagan's command of Republican loyalty. In 1976, Mr. Reagan lost the New Hampshire primary to President Ford by a tiny margin.

'New Nixon tapes' released

WASHINGTON—Attorneys for Mr. A. Ernest Fitzgerald, who disclosed \$2bn in cost overruns on the C-5A military transport plane, say President Richard Nixon personally ordered Mr. Fitzgerald's dismissal.

The attorneys claim that newly-released White House tape transcripts show Nixon also ordered John Ehrlichman, one of his aides, to "have the most God-awful gobbledygook answer prepared" to cover up his involvement in Mr. Fitzgerald's dismissal.

The transcripts are included in a civil damage suit Mr. Fitzgerald filed against Nixon and White House aides H. R. Haldeman, Bryce Harlow and Alexander Butterfield, who later revealed the secret White House tapings.

Mr. Fitzgerald, dismissed in 1969 after his disclosure of the

cargo plane cost overruns, but later reinstated to what he claims was a lesser job, is seeking \$3.5m damages.

Justice Department attorneys representing the defendants said the tapes indicate Mr. Nixon had confused the Fitzgerald case with that of another, unnamed person.

Mr. Fitzgerald's lawyers say the transcripts contain conversations between Mr. Nixon and his aides after the President, at a January 31, 1973, news conference, acknowledged he had ordered Mr. Fitzgerald dismissed.

The transcript shows, they add, that Mr. Nixon told Charles Colson after the news conference: "This guy that was fired, I'd marked it in the news summary. That's how that happened."

Mr. Nixon, according to the transcript, told Mr. Ehrlichman

the same day: "The point was not that he was complaining about the overruns, but that he was doing it publicly."

The ex-President and Mr. Ehrlichman also discussed the use of executive privilege to cover up Mr. Nixon's involvement, according to Mr. Fitzgerald's attorneys' interpretation of the transcript.

At another point in the talk, they say, Mr. Nixon told Mr. Ehrlichman to prepare the "gobbledygook answer," and the former President added: "Just put it out on executive privilege. Something that will allow us to do everything that we want."

The next day, February 1, 1973, Mr. Ron Ziegler, Press Secretary, gave reporters a confused explanation of the use of executive privilege in the Fitzgerald case, the lawyers added. AP

Third World gloomy about trade

BY DAVID BUCHAN IN WASHINGTON

FINANCE MINISTERS of the developing countries meeting in Washington yesterday warned that slow growth in world trade, intensified protectionist measures by industrial countries, and a deterioration in the terms of trade will increase the poorer, non-oil-producing countries' current-account deficit to \$58bn this year.

This was the gloomy conclusion of the Group of 24, which represents a much larger number of the poorer member countries of the International Monetary Fund (IMF), which met on Tuesday on the eve of the Fund's interim committee meeting here.

The Group of 24 welcomed proposals for the institution of a substitution account, "into which member countries might

pay dollars and receive the IMF's Special Drawing Rights in return. But it stressed that developing countries' participation in this should be voluntary.

The substitution account idea will be the major item on the interim committee's agenda. Meanwhile, the richer Fund member countries, meeting as the Group of Ten, were expected to renew the General Arrangements to Borrow (GAB). This facility, funded by the major industrial countries, and designed to top up the fund's lending resources, lapses in October 1980, and the Group of Ten is expected to take action to renew it well before that date.

The developing countries noted with particular concern the estimate that the flow of private investment capital to the

Third World in 1979 is likely to slow. Although the new "Witteveen facility," specially designed to help the poorer countries with their payments problems, was welcomed, the Group of 24 reiterated its long-standing complaint that with this loan arrangement, as with other facilities, the fund should relax some of the conditions it imposes on borrowers.

Senor David Ibarra-Munoz, Mexico's Finance Minister and the chairman of the Group of 24, said yesterday at a Press conference that the developing countries were also particularly concerned that the GATT trade talks in Geneva had done very little to accommodate the special trade problems of poorer countries, particularly in providing preferential treatment for their industrial products.

Decline in construction forecast

NEW YORK—Contracting for construction this year will fall by 3 per cent, rather than rise by 2 per cent, according to revised forecast by the F. W. Dodge division of McGraw-Hill.

The latest forecast puts the volume of construction contracting in 1979 at \$154bn, down from \$158.4bn last year. Dodge's original forecast, last October, foresaw contracting

volume increasing to \$155.8bn this year, from an estimated \$152bn in 1978.

In forecasting only a mild downturn in construction contracting this year, Mr. George Christie, Dodge's chief economist, noted that contracting last year rose by 13 per cent. He said "employment and output in the construction and building materials industries will remain

very strong in 1979 as last year's project starts are brought to completion."

Contracting for residential building is expected to fall by 9 per cent in 1979, to \$67.5bn from \$74.5bn, Mr. Christie said. He added, however, that housing is expected to begin to recover in the final quarter of 1979. AP-DJ

Inflation battle 'not being lost'

WASHINGTON—The increase in the consumer price index in January should not be taken as evidence that the Administration's fight against inflation is failing, Mr. Alfred Kahn, chairman of the council on wage and price stability, said yesterday. But he conceded that the 0.9 per cent increase might make it more difficult to secure union compliance with the President's wage guidelines.

"The bad news notwithstanding, what I've been seeing as the anti-inflation programme gets under way are signs, not of disaster but of potential success," Mr. Kahn told the Senate Budget Committee. "We have early signs from labour and big business that they are prepared to exercise restraint."

Mr. Kahn said the January increase did not warrant scepticism about the anti-inflation programme because such a big portion of the increase was in energy and food prices. "The factors that caused these—bad weather, the long-term decline in our cattle herds, OPEC and the events in Iran—are essentially beyond our control."

Mr. Kahn agreed that the increase could make it more difficult for labour to comply with the wage guideline. But, he said, that made it more urgent for Congress to approve the President's proposed wage insurance tax credit. AP

Swissair to buy new version of Airbus

By Michael Donne

SWISSAIR, the Swiss national airline, is to buy ten of the new A-310 versions of the European Airbus, and has taken an option on another 10 aircraft, which will involve a total investment of about Sfr 700m (more than \$200m).

The A-310 is the smaller, 200-seat version of the increasingly successful A-300 Airbus, in which the UK has a 20 per cent stake, building the wings for both types of aircraft.

Last summer, when the A-310 version of the Airbus was first launched, Swissair was among a number of airlines, including Eastern of the U.S., Lufthansa, Air France and Iberia, which collectively said they would buy more than 60 of the aircraft, subject to final contract.

Swissair is the first of these airlines to commit itself. The order is expected to be ratified at a Board meeting of the airline on March 14, and contracts are expected to be signed soon thereafter.

The other airlines interested in the A-310 are also expected to say soon when they will sign contracts for their aircraft.

The Swissair A-310s will be powered by U.S. Pratt and Whitney JT9D-7R4C engines, representing a major success for the U.S. engine company.

The Swissair decision means that Airbus Industrie, the European consortium that includes companies in France, West Germany, Holland and Spain as well as the UK, can now move firmly into detailed design, development and production of the A-310, in addition to continuing work on the A-300 itself.

Poland to encourage joint ventures

By Anthony Robinson, East Europe Correspondent

POLAND HAS decided to follow the example of Romania and Hungary and introduce new legislation allowing for the creation of joint ventures between Polish and foreign companies. Initially at least such joint ventures, in which the Polish partner would have a majority stake of at least 51 per cent, are envisaged on a small scale in industrial and service enterprises producing both for the domestic and export markets.

The first step in this direction was taken three years ago when Poland introduced limited legislation allowing foreigners of Polish origin to set up companies in Poland. But restrictions on the expatriation of profits and other limitations kept the response to a minimum.

Full details of the new legislation are not yet available but the experience of joint ventures in other Comecon countries indicates that the scope for joint ventures is strictly limited without wider ranging changes in the overall planning system and the foreign trade monopoly system.

There are increasing signs however that the process of freeing major exporters in particular from the former monopoly position of the official Foreign Trade Organizations is developing throughout Eastern Europe, with the exception of Hungary and the Soviet Union itself.

The German Democratic Republic for example is allowing greater trade flexibility to the so-called Kombinate, groupings of several exporting companies, and Poland too is following this path by giving greater foreign trade powers to the large economic organisations.

Hungary has gone farthest along the road of liberalising its foreign trade by developing a considerable degree of autonomy in foreign trade matters to individual enterprises or groups of enterprises. So far however Hungary has only concluded three joint ventures with Siemens of West Germany, Volvo of Sweden and Corning Glass of the U.S.

Romania, whose independent foreign policy is also reflected in a constant search for foreign partners in all fields of economic activity except the insurance, commerce and social services sectors.

Yugoslavia now has over 170 joint ventures of which the largest is a \$750m refinery project being built and operated with Dow Chemical. Several UK companies including Dunlop have joint ventures with Yugoslav companies.

GATT package should be 'ripe for signature' soon

BY BRIJ KHANDARIA IN GENEVA

THE COMMON MARKET has reached close enough to satisfactory compromise with its main trading partners to be able to predict an end to the substantive part of the Tokyo Round of trade negotiations in time for the Community Council of Ministers on April 2.

Mr. Paul Luytens, Chief Community Trade Negotiator in Geneva, told a Press conference here yesterday that barring unexpected troubles, the Tokyo Round should be ripe for final signature next month, making way for legislative approval by the more than 70 participating nations.

The possibility remains open, however, that the Community's own member governments, represented in the Council of

Ministers, might turn down the package negotiated here.

A Council of Ministers' meeting in Brussels earlier this week sent Mr. Luytens and his team back to Geneva with a brickbat rather than a pat on the back for the work already done. Some member states strongly criticised the deals so far obtained, particularly concerning the Community's processed foods exports, and rules covering application of safeguard measures and the use of export subsidies and countervailing duties.

Asked what would happen if the Council of Ministers again turns down the package achieved by the Commission here, Mr. Luytens said that both the Commission and the Council would have to "assume their responsibilities."

The remark was interpreted here as meaning that the Commission would be unable to negotiate table because it already fighting to maintain its own "bottom line" position from being further eroded by Japan and the developing nations. The main problem with the United States seem have been settled except certain tariff areas.

Whatever the EEC Council attitude it is clear that the Commission will have the last word on the Tokyo Round. The Community and oil countries have been clear told by the U.S. that they risk the scuttling of the negotiations if they open a door to industrial lobby opposition in Washington by forcing its hands too far in Geneva.

Setback for shipbuilding plan

BY TERRY DODSWORTH IN PARIS

FRANCE and Greece are pressing for an early resolution to the discussions on the shipbuilding industry's scrap and build proposals—the plan to ease the crisis in the world shipbuilding market by scrapping two old vessels for every new one launched.

The attitude of these two countries emerged yesterday at the meeting of the OECD's shipbuilding working group meeting in Paris. But members have put off a decision while the plan is being examined and costed by the EEC.

It is expected that the EEC will be ready to make its report within the next few weeks, putting some hard figures on the proposals which were first advanced last November by the independent International Maritime Industries Forum.

But the overall impression emerging from the OECD meeting yesterday was that the plan was unlikely to get off the ground because of the widely varying interests of the different shipbuilding and ship-

ping nations. According to OECD figures, new orders for ships from the main shipbuilding countries fell by about one-third last year from 9.5m tonnes in 1977 to 6.33m tonnes. At the same time, total tonnage registered in order books fell to 13.5m tonnes from 18.3m.

The figures show that Japan's share in these orders is gradually falling in response to

pressure from other shipbuilding countries to reduce output. It was down to 49 per cent last year from 58 per cent in 1977, and in terms of ship completed, Japan's share had fallen from 43 per cent to 30 per cent.

The decline in Japanese production, however, has been taken up almost completely by countries from outside the OECD area.

Brooke Marine contract

FINANCIAL TIMES REPORTER

BROOKE MARINE, part of British Shipbuilders' warship division, has won a £8m contract for six fast patrol vessels for the Middle East.

It is the first contract signed between Brooke Marine and the country concerned, which was not named. Brooke Marine said that the vessels would be completed within the next two years. "As is the case with a num-

ber of shipbuilders, Brooke Marine was beginning to run out of work. The tide has turned and this new contract will mean continued work for its 850 employees for several more years," a company spokesman said.

The Lowestoft shipyard already supplied nine patrol vessels to the Middle East and is currently refitting two vessels from Oman.

VW offers bodywork guarantee

BY ROGER BOYES IN BONN

VOLKSWAGEN-AUDI, in a radical departure, has decided to guarantee the bodywork of its passenger cars for six years. In an official announcement yesterday, Volkswagen described the move as unique in the European car industry.

The announcement coincided with a report that Volkswagen-Audi was planning to raise prices by over 3 per cent. VW spokesmen stressed that while there was no direct connection between the price rise and the new guarantee, the costs of the company's research into anti-rust techniques would be to some extent covered by the increase. The recent advances

in anti-corrosion techniques have made the guarantee possible.

The guarantee, which applies to new VWs and Audis bought in Europe, is conditional on a two-yearly inspection by VW specialists. If it appears that damage has been caused to the car by an outside agent—a collision, say, or routine scratches—then the guarantee will not be valid.

If, however, the car is rusting or corroding because of poor lacquering or other defects in the bodywork protection, then Volkswagen will undertake to pay for the repairs.

such as new methods of waxing—are to some degree modelled on techniques recommended by a Canadian advisory board on anti-corrosion. It was found, for example, that salt, used as a road treatment to melt snow and ice, has a particularly corrosive effect on the car's bodywork. The guarantee will not cover car-waxes against that sort of damage.

Although the guarantee applies at present only to cars bought in Europe, Volkswagen spokesmen left open the possibility that it could be extended to North America. VW has recently regained its number one position among foreign car manufacturers in the U.S.

China plans offshore oil deals

BY JOHN ELLIOTT, INDUSTRIAL EDITOR

CHINA PLANS to sign three or four more agreements for offshore oil exploration work later this year following the preliminary agreement reached recently with British Petroleum in the South Yellow Sea.

Atlantic Richfield of the U.S. is likely to receive the next seismic survey contract and other groups involved in negotiations with the Ministry of Petroleum in Peking include consortia from France and Canada.

Japan, however, has still not reached agreement on its proposed contract for work in

Bohai Bay. It had been exploratory and oil field development.

Now it appears that Ministry officials in Peking are having second thoughts about awarding such a comprehensive contract and instead would prefer to rely initially just on foreign oil companies to use their experience in the seismic surveys.

The Chinese might then decide to do some of the less complex development work in shallower waters themselves.

There are, however, likely to be major orders placed abroad for offshore and pipeline plant

and members of the recent delegation to China led by Mr. Eric Varley, Industry Secretary, discussed the prospects with officials in Peking.

Under the BP type of arrangement, the cost of the seismic survey is borne by the oil company on a risk basis. The results are encouraging. The Chinese will then allocate blocks of the area for bidding. BP will receive the exploration licence if it matches the best bid submitted. It wins, it will then receive 49 per cent of the stake in a joint venture with the Chinese Government.

Outline pact on Japan loans

BY RICHARD C. HANSON IN TOKYO

A THREE-MAN delegation from the Bank of China will return to Peking this week having agreed in principle on a Japanese commercial bank scheme to borrow at prevailing international dollar rates. The Chinese mission, headed by its manager of the international division of the Bank of China, Mr. Niu Hsuan-wu, is now expected to consult with their superiors in Peking before the final terms are agreed.

The Japanese banks are offering China up to \$6bn in six-month trade financing credits, with the option of converting up to \$2bn into a loan syndication package of four to five years' duration. The loan would be made at prevailing Euro-dollar rates plus 1 per cent for the short-term credits plus 1 per cent on a five-year basis—22 Japanese banks would participate in the credit.

Separately, the Chinese also met with the Export and Import Bank of Japan to discuss lower-cost yen credits for Japan's exports to China. The Chinese so far have declined to consider such loans because of the risk of having the yen appreciate further.

The commercial loan discussions are taking place in an atmosphere much less certain than just two weeks ago when

the formal talks in Tokyo began. Since the mission arrived, Japanese companies have received notification from China that it is reviewing Japanese plant contracts signed at the end of last year with an estimated value of Yen 560bn.

China's Vice-Minister for Foreign Trade, Mr. Li Xiaonian, will be travelling to Japan, probably before the end of this month to discuss the contracts with Japanese companies. The timing of the visit, perhaps because of the finance problem, has become very awkward for both sides. The visit has already been delayed from a planned March 10 arrival date.

It all goes according to plan. The first Greek oil discovered off the North Aegean island of Thassos in 1977 will be pumped out some time in 1981. Production from the oil-bearing basin known as Prinos is put at 25,000 barrels a day.

Saudi Arabian crude for Greece

BY OUR ATHENS CORRESPONDENT

SAUDI ARABIA has agreed to supply Greece with 6m tons of crude oil over the next three years.

The agreement, signed in Jeddah last week by the Greek Minister of Commerce, Mr. George Panayotopoulos, who accompanied Premier Konstantinos Karamanlis on an official visit to Saudi Arabia, ensures that Greece's requirements for crude oil amounting to about 9m tons a year, will be covered

during the looming new oil crisis.

Under other agreements, Greece has already secured 3m tons of crude oil a year from Libya, 2.5m tons from Iraq and 1.5m tons from the Soviet Union.

Some 70.5 per cent of Greece's total primary energy is provided by imported liquid fuels, added alarmingly to the country's balance of payments problems.

Last year's spending on crude oil and petroleum products exceeded \$1bn—accounting for about 16 per cent of the country's import bill.

If all goes according to plan, the first Greek oil discovered off the North Aegean island of Thassos in 1977 will be pumped out some time in 1981. Production from the oil-bearing basin known as Prinos is put at 25,000 barrels a day.

NOTICE OF REDEMPTION

To the Holders of

CITY OF BERGEN

8% Debentures due 1987

NOTICE IS HEREBY GIVEN that, pursuant to the provisions of the Debentures of the above-described issue, Morgan Guaranty Trust Company of New York, as Fiscal Agent, has drawn by lot through operation of the Sinking Fund for redemption on April 1, 1979, at the principal amount thereof together with accrued interest to the date fixed for redemption \$1,000,000 principal amount of said Debentures, each in the denomination of U.S. \$1,000 as follows:

Outstanding Debentures bearing serial numbers with the prefix letter "M" and ending in any of the following two digits:

13 14 25 26 28 29 32 41 61 63 69 95

Also Debentures bearing the following serial numbers with the prefix letter "M":

963 1183 2283 2183 2283 4483 5083 7983 10183 11283 11883 11783 12883 12983

On April 1, 1979, the Debentures designated above will become due and payable at the redemption price aforesaid in such coin or currency of the United States of America as at the time of payment is legal tender for the payment of public and private debts and will be paid, upon presentation and surrender thereof with all coupons appertaining thereto maturing after the redemption date, at the option of the holder either (a) at the Corporate Trust Department of Morgan Guaranty Trust Company of New York, 30 West Broadway, New York, N.Y. 10015, or (b) subject to applicable laws and regulations, at the main office of Morgan Guaranty Trust Company of New York in Brussels, Frankfurt (Main), London, Paris or Zurich or the main office of Bank Mees & Hope NV in Amsterdam, Banca Vojviller & C. S.p.A. in Milan or Kredietbank S.A. Luxembourg in Luxembourg. Payments at the Offices referred to in (b) above will be made by a check drawn on, or by a transfer to, a United States dollar account maintained with a bank in New York City.

Coupons due April 1, 1979, should be detached and collected in the usual manner.

From and after April 1, 1979, interest shall cease to accrue on the Debentures herein designated for redemption.

CITY OF BERGEN

By: MORGAN GUARANTY TRUST COMPANY OF NEW YORK, Fiscal Agents

March 1, 1979

NOTICE

The following Debentures previously called for redemption have not as yet been presented for payment:

MSB 56 401 798 815 1189 1378 1841 3188 4386 4916 5882 5721 9075 10183 10847 11188 136 250 795 813 969 1377 1498 2241 2412 4236 4836 5566 5851 9774 12113 13333 1496

New-The SAAB

900



SAAB 900 GLE

Born to Lead

Leading in Performance

The SAAB 900 has the power of a leader. The outstanding turbo-powered models give two litre efficiency and power in the high performance—plus league, (145 bhp din). It's exhilarating, reliable and unusually satisfying to drive. The fuel injection EMS and GLE models deliver a powerful 118 bhp din. The twin carb. 2 litre GLS models at 108 bhp din will give you executive-style cruising at motorway speeds. The single carb 2-litre model 100 bhp din gives you comfortable motoring. Rally proven, the SAAB 2 litre engine is a superb example of the best in Swedish engineering.

Leading in Driveability

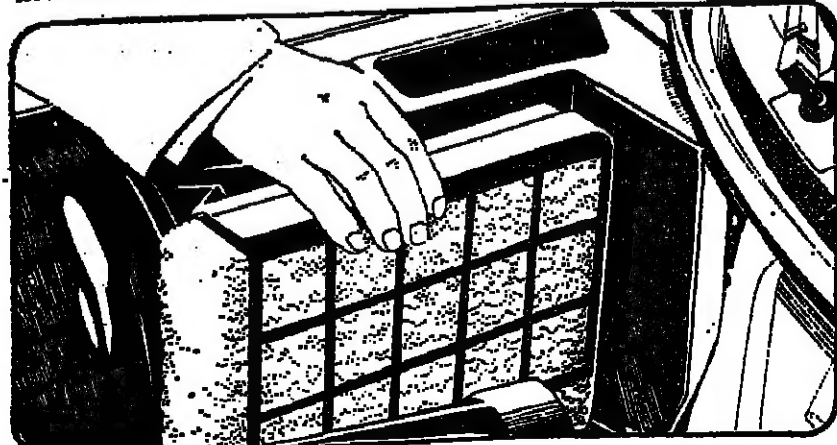
The SAAB 900 enforces new levels of road holding and handling. It is designed to obey your every command. Designed so you experience complete control. Front wheel drive gives increased traction. Steering geometry advances reduce lateral acceleration or "body swing". This means safer, relaxed motoring and increased comfort for passengers.

The steering is more responsive and the directional stability gives consistent behaviour regardless of road conditions and load.

On the turbo and automatic models you'll find power-assisted steering as standard. But not just any power steering. At speed our power steering gives you the same response and control as a SAAB 900 without P.A.S. You'll only notice it when you need it, in town or parking.

Leading in Comfort

A remarkable SAAB 900 first is the filtering of all air entering the driver/passenger compartment. A new filter removes most contaminants even pollen. So inside the SAAB 900, the air you breathe will be cleaner than that outside.



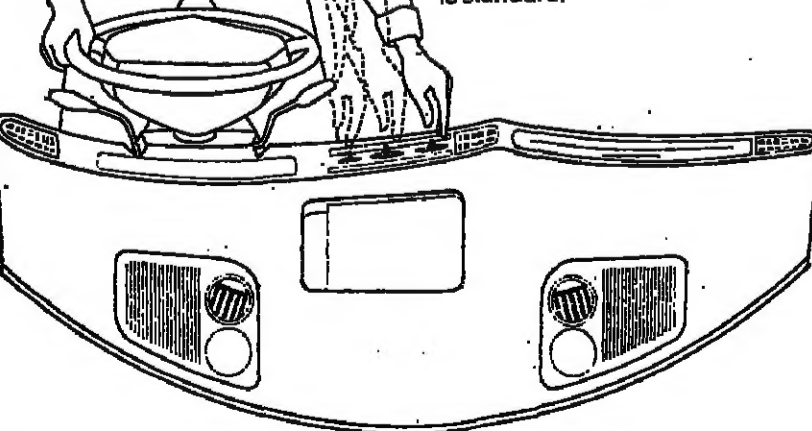
The unique air filter can easily be removed when necessary. Also our designers have allowed for possible air-conditioning needs.

The SAAB 900 is roomy and spacious. To give some idea, it's slightly longer than the Rover 3500. But inside you'll notice the difference—velour upholstery and trim, exude luxury. On the top models there's even seat belts and head rests for the rear passengers.

The heating and ventilating system is also unique. It provides a constant level of warmth—once set—through outlets including a demister for the side windows. Exceptional sound insulation will protect you from the hassle of the outside world.

Leading in Driver Control

The driver's environment gives you real control. The new curved dashboard allows you to reach all controls and switches without any body movement. High level, anti-glare instruments, give at-a-glance readings. The seat, gives total driver support. It is fully adjustable, not just for horizontal positions and rake but also height and slope, and on some models a heated driver's seat is standard.

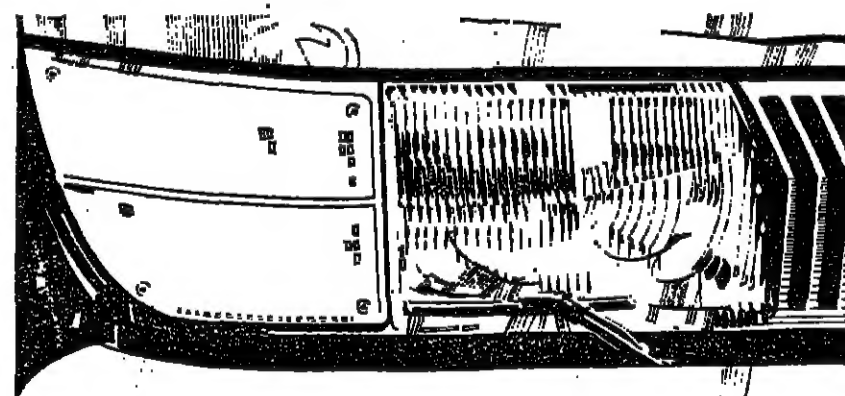


Leading in Safety

The SAAB 900 incorporates many new safety features. Including further developments of the steering wheel designed to actually help prevent injury rather than just reduce it.

A unique mesh bellows mounted on the steering column acts as a cushion in the event of a serious collision. Another unique development below the dashboard, protects knees and legs. And the staged crumple zones backed up with the most rigid passenger safety cage really protects those inside.

All SAABs have disc brakes on all four wheels. A diagonally split-braking system and semi-metallic outside front brake linings (another SAAB first) give increased efficiency.



The new SAAB 900 is an exceptional car. All models include other SAAB firsts as standard i.e. headlamp washers and wipers, efficient energy-absorbing bumpers, heat and sound insulation roof lining. The rear seats of the 900 will fold down to give you over 5 feet of flat loadspace and there's no awkward sill to lift over. Inside is a cavernous 53 cubic feet of luggage space.

The SAAB 900 is a very advanced car but words can tell only so much. For such a car, driving is believing, so why not take advantage of our no-obligation test drive offer at any one of our nationwide network of enthusiasts. You'll soon appreciate why the SAAB 900 is the car Born to Lead.

The SAAB 900 Range

3 dr GL	2 litre hatchback single carb.	£5,525
3 dr GLS	2 litre Hatchback + twin carbs.	£5,775
3 dr GLS Auto	Power steering as standard	£6,225
5 dr GLS	2 litre Hatchback + twin carbs.	£5,995
5 dr GLS Auto	Power steering as standard	£6,555
3 dr EMS	Sports coupe hatchback. Low profile tyres alloy wheels	£6,995
5 dr GLE	Fuel injection, automatic, power steering, steel sunroof, tinted glass, heated front seats, radio cassette player	£7,675
3 dr Turbo	Turbo-charged power. Ultra low profile tyres, steel sunroof, tinted glass, radio cassette player	£8,675
5 dr Turbo	With the new TRX tyres for comfort and control. Radio cassette player	£8,995

Prices quoted and specifications are correct at time of going to press and include seat belts, car tax and VAT. Delivery and number plates extra. All SAABs are covered by unlimited mileage guarantee for 12 months + extra 12 months for engine and gearbox.

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Name

Address

UK NEWS

Scottish industry plans U.S. campaign

BY RAY PERMAN, SCOTTISH CORRESPONDENT

COMPETITION to attract American investment, particularly in the electronics industry, is intensifying between the Scottish Development Agency and its counterpart in the Irish Republic.

The two bodies have already clashed over attempts to lure the Dallas-based semiconductor manufacturer, Mostek, and the bidding has become so competitive that each has privately alleged the other has exceeded European Commission guidelines on industrial inducements.

Mostek, which wants to invest £20m in a micro-chip plant which could eventually employ 2,000 people, is expected to make its decision before the end of the month.

The Scottish Agency believes it must match Irish professional

ism if the UK is to secure a share of similar investments in the future. In doing so, it is going further than other regional authorities in Britain, which rely on central Government departments for overseas promotions.

The agency has already appointed a representative in New York, and within the next few weeks he will be joined by a second, recently recruited from one of the U.S. offices of the Irish Development Agency.

Two marketing tours of major U.S. cities are also being made this year, the first next month and the other in the autumn.

The April tour is specifically aimed at the electronics industry, and will include Dallas, Los Angeles and San Francisco, where some of the major com-

panies are based.

In the past, the Scottish Agency believes, British promotional efforts have been hampered by the fact that interested firms have been passed from one body to another and not given a clear overall idea of what sites are available, and what incentives are available.

To overcome this, it is bringing together for the U.S. tours all bodies concerned with industrial attraction in Scotland, including regional authorities and the Scottish Economic Planning Department.

On the advice of U.S. consultants, elected members have been excluded from the tour party and councils will be represented only by full-time officials concerned with industrial affairs.

Industry 'could train diplomats'

BY HAZEL DUFFY, INDUSTRIAL CORRESPONDENT

A GREATER interchange of personnel between industry and the diplomatic service was suggested yesterday by Dr. David Owen, the Foreign Secretary, as a means of improving Britain's overseas trade services.

Dr. Owen, speaking at the monthly meeting of the National Economic Development Council, said that industry could help if career diplomats were allowed to come on short-term training assignments, or if longer-term placements were provided for members of the diplomatic service in exchange for someone from industry serving in an overseas mission.

He said that much higher priority was being given by the diplomatic service to representing Britain's commercial interests. The Confederation of British Industry, however, although supporting the efforts of the diplomatic service, said that there could be a significant improvement in the Government's export promotion services conducted at home.

The image of British industry

portrayed in the British Press aroused some concern at the meeting. Dr. Owen said that the foreign Press "feeds off the British Press" and this was giving rise to significant problems in trying to attract investment by foreign companies in this country.

Foreign delegations—such as that from Japan which had been here for the past ten days—often expressed surprise when they found that British industry was in a better state than would seem from the Press.

The need to anticipate competition from the newly industrialising countries in a growing number of sectors was emphasised by Mr. Geoffrey Chandler, National Economic Development Office director-general. Competition in engineering, machinery and electrical goods were likely to be added increasingly to that in textiles, clothing and footwear. Where these countries have already made a big impact.

City of London faces 4.16% increase in rates

BY PAUL TAYLOR

BUSINESSES in the City of London are likely to face rate increases of 4.16 per cent following a recommendation from the corporation's finance committee. The rise would be considerably less than in some other London boroughs and compares with an 18 per cent average across the country.

If the committee's recommendations are accepted by the Court of Common Council, the City's ruling body, when it meets on March 22 domestic rates will increase by 0.16p in the pound (1.4 per cent) to 51.04p in the pound in 1979-80 and commercial rates will rise by 3.11p in the pound (4.16 per cent) to 77.8p in the pound.

The increase includes a 2p in the pound rise in the Greater London Council rate offset by a 1p in the pound reduction in the amount the City pays to other London boroughs through the Rate Equalisation Scheme. The domestic rate is further offset by a 2.5p allow-

ance in the Government's rate support grant.

The rates rise has also been lessened by drawing £3.5m from balances making up a total expenditure in 1979-80 of £172.2m based on the assumption of a 5 per cent increase in wage costs. If, as expected, wage settlements in the local authority sector considerably exceed this amount the City will have to find alternative means for paying the increase.

Excluding expenditure by the GLC, the Inner London Education Authority and the contribution to the equalisation scheme the corporation's own expenditure will increase by £4.7m to £35.9m in 1979/80.

The Shetland Islands Council has fixed a general rate of 50p in the pound for 1979/80, an increase of only 5p compared with the current year. Domestic ratepayers will pay 47p in the pound. At the same time, council house rents have been frozen until April, 1980.

British business graduates paid less in UK

BRITISH BUSINESS graduates earn considerably less than their counterparts in other countries according to a survey of 4,000 masters of business administration world wide.

The study conducted by management consultants Egon Zehnder found the British executive throughout his career earned markedly less than similarly qualified managers in the U.S., Japan and the major European countries.

British business graduates aged 35 to 39 working in the UK earned about £11,100-£12,500 according to the survey. In Germany a similarly aged and qualified executive earned £27,500-£33,300 which compares with £20,800-£22,200 in France and £20,800-£22,200 in the U.S.

The survey also said that nearly 33 per cent of British executives questioned said that they were actively seeking another job which compares with 14 per cent in Switzerland and 28 per cent in France.

More MBAs went into banking than any other sector with management consultancy the second most popular career choice which was consistent in most countries. One in four business graduates work in finance and control and about 20 per cent work in marketing.

New guide to public finance

By Our Economic Staff

A GUIDE to the large and complex volume of financial information available on the public sector has been published by the Government.

The 108-page guide, prepared jointly by the Treasury and the Central Statistical Office, is intended to help users find their way around this material.

It covers the main information published by the Government about its own expenditure, revenue, borrowing and debt, about local authorities, nationalised industries and other public corporations and some of the similar data published by and for local authorities and public corporations, and by international organisations.

The guide is in two parts. The first identifies the sources of information relevant to 35 specified topics and the second is a bibliography, giving full details of the published sources in the first part, plus some additional publications.

Guide to Public Sector Financial Information published by the Stationery Office, price £2.50.

Japanese audio company may move to Ulster

By Our Belfast Correspondent

AIWA, the Japanese electronics company, hopes to start audio equipment production in Belfast by next year.

Mr. Don Concannon, the Ulster industry minister, said officials of the Commerce Department and the Northern Ireland Development Agency have had detailed discussions with Aiwa about its taking over the factory in west Belfast which was occupied until last December by Strathearn Audio, the ill-fated state-owned company.

Mr. Concannon said the talks had led to a broad understanding on the form a joint venture between the agency and the Japanese might take.

Aiwa was now developing the products which it hoped to sell on the European market and if negotiations succeeded an agreement could be signed later in the year.

Belfast to build £1.75m diesels

By Our Belfast Correspondent

HARLAND AND WOLFF, the State-owned Belfast shipyard, has won orders worth £1.75m for six medium-speed diesel engines for an emergency support vessel to be built by Scott Lithgow for British Petroleum.

The number of orders for diesel engines received by the shipyard since it agreed a joint venture with MAN of West Germany eight months ago is 21.

Government officials said the figure was well ahead of the yard's projections for the first year of the agreement and further orders for engines were now expected.

More UK ships lying idle

BY LYNTON McLAIN

THE VOLUME of world shipping idle at the end of January 1979 fell for the seventh successive month but there was a rise in the number of British registered vessels idle, according to the General Council of British Shipping.

Britain had 34 vessels total, representing 3.6m dwt laid up, totalling 7 per cent of its fleet. This compared with the world's total of 600 ships at 28.5m dwt, or 4 per cent of the world fleet.

Britain also had the greater proportion of its fleet idle, compared with the world total of 6 per cent. Almost 23m dwt of tankers and 7m dwt of dry cargo vessels were not working.

Britain had 3.2m dwt of its tanker fleet laid up through lack of work in the depressed energy markets and 312,000 dwt of dry cargo ships.

The crisis in Iran has served to compound an already gloomy picture, the council said last night. Last June 54 vessels, totalling

6.25m dwt, were without work—the greatest number since January 1977. The figures had shown a steady improvement until January this year, which also saw a small rise in the number of vessels on the world fleet idle compared with the 593 laid up in December. But the tonnage of idle vessels in the world fleet dropped by 1.3m dwt.

There is little prospect of a recovery in shipping markets until the early 1980s.

Britain's merchant fleet was hit later than those of other countries. Many vessels were on long-term charters and these are now starting to expire.

In some cases shipowners have preferred to lay up vessels rather than operate them at a loss in the face of growing worldwide competition.

"The problem we face is the slow build-up in world trade and the extent to which overcapacity in shipbuilding is making the shipping surplus more acute," the council said.

Deminex may try to buy stake in Beatrice field

BY SUE CAMERON

DEMINEX, the West German oil exploration group, is thought to be trying to buy a 15 per cent stake in the North Sea's Beatrice field from Cressleann, a U.S.-based oil concern.

It is understood that the British National Oil Corporation will be given an option to buy one-third 5 per cent — of the Deminex stake if the deal goes through. BNOC already has a 10 per cent holding in the Beatrice field which it acquired last month from Hunt Oil.

A deal of this kind would be certain to increase speculation over the possibility that BNOC may take over from the U.S.-based Mesa group as operator on the Beatrice field.

Mesa had never done development work in the North Sea before becoming operator for Beatrice, and the group has no

other field interests there. BNOC, however, now has considerable experience as operator on 28 exploration blocks, including the Thistle field development.

The Beatrice group is made up of Mesa, the operator, with a 25 per cent holding, Cressleann, which has a 15 per cent stake, BNOC with 10 per cent, the U.S.-based Hunt Oil, which has a 10 per cent holding in the Beatrice field which it acquired last month from Hunt Oil.

Deminex, which is a subsidiary of Veba, West Germany's state-backed oil company, already has a 41 per cent holding in the Thistle field, and it is known to be keen to expand in North Sea interests.

Solid silver Concorde model fetches £8,500

BY ANTHONY THORNCROFT

THE PITFALLS of investing in works of art were well illustrated at Christie's yesterday when a solid silver model of Concorde, 4 ft long and weighing 316 oz, was sold for £8,500, almost half the £15,000 which Sir Eric Miller, the former head of Peachey Properties, paid Aspreys for it in 1975.

The model was bought by the London dealer Jack Simons who will also have to pay the buyers' premium (now 10.8 per cent following a ruling that the premium is subject to VAT). Its disposal was arranged by Lord Mals, the current Peachey chairman.

In the same silver sale, which totalled £99,585, the Ascot Royal Hunt Cup of 1856, designed by Alfred Brown and made by J. S. Hunt, went to Koopman, the London dealer, for £3,400. A pair of French silver mounted flintlock pistols made by Le Hollandois around 1720 were bought by Jesse, another London dealer, for £7,500, in a sale of the arms and armour of an admiral's silver hilted dress sword, bearing the arms of Cornwallis, the work of Francis Thurkile in 1797

was bought by the National Maritime Museum for £3,200.

Perhaps the most interesting sale at Sotheby's was in Belgravia where a collection of over 80 cooking stoves and other cast iron decorative domestic heating appliances, stretching back to the early 19th century, sold for £34,153. They were the property of the Solid Fuel Advisory Service.

SALEROOM

BY ANTHONY THORNCROFT

At Sotheby's in Bond Street the netsuke, okimono and two collected by Mr. and Mrs. George Cohen sold for £187,000. The top price was the £10,000 (plus the 10.8 per cent buyer's premium) from Eskenski, a London dealer, for a rare Ozaki Kokusai stagshorn study of an owl. It had been estimated at £1,800-£2,500. The same buyer paid £7,900 for a Kirin, signed Tomotada. A study of an ape like creature by Hoshunshi Masatuki realised £5,400.

Balance of payments shows £1.13bn deficit

BRITAIN HAD a combined deficit on its balance of payments current and capital accounts of £1.13bn last year, compared with a surplus of £7.36bn in 1977.

The change was due almost entirely to capital movements, since the current account surplus declined by only £44m to £254m.

The main difference in the capital account was that the high level of exchange market confidence in 1977, with associated inflows when sterling was held down, was followed in 1978 by fluctuating confidence and erratic capital flows, particularly of banking and other short-term capital.

Private sterling balances rose £304m last year after an increase of nearly £1.5bn in 1977 and there was a reduction in UK public sector investment by foreign holders of £61m last year, compared with a net inflow of £3.18bn in 1977.

BALANCE OF PAYMENTS £m.

	1977	1978	2nd qtr.	3rd qtr.	4th qtr.
Current account	-1,744	-1,175	-173	-267	-39
Visible balance	+2,042	+1,429	+179	+418	+437
Invisible balance	+298	+254	+146	+51	+298
CURRENT BALANCE	+298	+254	+264	+773	+440
Capital account	+4,602	-2,227	-1,804	+74	-597
Investment and other capital transactions	+2,461	+847	+106	-37	+114
BALANCE FOR OFFICIAL FINANCING	+7,361	-1,126	-1,494	+210	-15
Official financing					
Net transactions with:					
IMF	+1,113	-1,016	-505	-26	-485
Other monetary authorities					
Foreign currency borrowings by HM Government	+871	+191	+191		
by public sector under exchange cover scheme	+243	-378	-218	-130	+189
Official reserves (drawings on, +; additions to, -)	-9,588	+2,329	+2,026	-54	+311

* Drawings on two Eurodollar facilities for HM Government totalling £2,500 and \$1,500 million, and a \$350 million bond issue in New York. Source: Central Statistical Office

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COMMONS EXPENDITURE COMMITTEE CRITICISES JANUARY WHITE PAPER

Assessment 'out-of-date and unrealistic'

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

THE TREASURY—and in particular Mr. Joel Barnett, the Chief Secretary—were criticised yesterday by an all-party committee of MPs for providing an out-of-date and unrealistic assessment of the economic prospects in the annual public expenditure White Paper and the accompanying Budget.

The criticisms came in the report of the Commons Expenditure Committee, on the January White Paper, its general sub-committee, chaired by Mr. Michael English, the Labour MP for Nottingham-West, questioned Treasury officials at the end of January and minutes of the evidence, together with 13 memoranda from City and academic economists and commentators, were published with the report.

A letter from Mr. Barnett to the sub-committee is also published for the first time. He refused a request for calculations of the effects of alternative assumptions about the

growth of public sector earnings in the current pay round, notably the impact on public sector borrowing.

Mr. Barnett said the calculations would involve "a large number of judgments and assumptions" and referred to the earlier reluctance of the Chancellor, Mr. Denis Healey, to provide such figures, "both because there would be a risk of appearing to endorse such assumptions if a Government department were to carry out this work, and because it would divert those concerned from other work."

The report welcomes various improvements in the White Paper, in particular the projections of total output and the pattern of demand in the medium-term and of revenue, expenditure and borrowing; estimates of the cost of many direct tax allowances and reliefs; and increased information about the output achieved and planned in individual programmes.

The welcome is qualified, however, to the extent that the Committee urges both the future inclusion of a sufficiently wide range of economic projections to cover all likely eventualities, a possible extension of the list of tax reliefs covering age allowances and higher tax thresholds for people over 65, and the need for much more to be done to state the specific objectives of future spending programmes and the results of past programmes.

Moreover, "through the recently introduced monitoring system, the Treasury should be able to identify underspendings so as to be able to take corrective action either at once or in the following year's estimates."

In future White Papers, the Treasury should show explicitly the component parts which go to make up what is considered to be net debt interest, "that is, to give separately total debt interest and the receipts items which are not now shown in the net total."

In addition, the Government should provide information about the size and broad maturity structure of debt, and about the way in which they are likely to change over the survey period up to 1982-83.

The report returns to earlier criticisms about the balance between current and capital



MR. JOEL BARNETT

... under fire

Moreover, "quite apart from these weaknesses, this year's White Paper suffers from being overtaken by events since it was drafted about three months ago. The illustrative economic projections have become increasingly unrealistic, thus invalidating the assumptions on which the projections of public sector borrowing are based."

"It is not clear, however, at this stage by how much the PSBR will be affected," the report says. "Much depends on

the pace of pay rises in the public sector in relation to those in the private sector and on the response of the Government to large pay increases when fixing cash limits for 1979-80.

"Hence our dissatisfaction with the Chief Secretary's (Mr. Barnett's) refusal to provide revised estimates of the change in the relative price effect (the ratio of public sector costs to those in the economy as a whole) and public sector borrowing."

The recent practice is to publish in the White Paper an assessment of economic prospects (drafted in November) and to publish another at the time of the Budget. This means that when the White Paper is debated in the House of Commons, usually in March, the White Paper assessment may have been overtaken by events while the Budget assessment will not have been published.

The debate would be more relevant if an intermediate assessment were published at the time the Treasury gave evidence to our sub-committee, before the debate in the House, and we recommend that in future years this should be done."

Fourth Report from the Expenditure Committee, Session 1978-79, on the Government's Expenditure Plans: House of Commons Paper 237 from the Stationery Office, price £2.00.

Treasury checks allowance sums

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

AN INCREASE in personal income tax allowances in line with price inflation during 1978 has laid down by the 1977 Finance Act would cost about £890m in lost revenue in a full year according to Treasury estimates.

The estimated revenue effects of various tax changes were published yesterday by the Treasury in a supplement to its Economic Progress Report.

The figures, some of which have already been given in Parliamentary written answers, are based on income and/or price levels for the 1978-79 financial year and not on estimates of next year's levels on which the Budget (on April 3) will be based.

Moreover, the full year revenue effects are not necessarily the same as the effect in the first year of any change as some taxes are paid in arrears.

The revenue estimates are also not the same as the effect on public sector borrowing in the first financial year.

"Very roughly the borrowing requirement effect of direct tax changes is generally about one-fifth less than the revenue effect; borrowing effect of VAT changes is about two-fifths less, and of other customs duties about one-tenth less. These differences occur both because of lags in the payment of tax

and also because of second-round effects of tax changes on the economy and hence on the payment of other taxes."

The Treasury estimates that an 8½ per cent change in excise duties, in line with last year's price inflation, confined with an increase of two percentage points in the 8 per cent rate of VAT would add roughly 1½ per cent to the retail price index.

A 2 per cent change in the standard rate of VAT up to 10 per cent would bring in £800m in a full year at 1978-79 prices, while a reduction in the higher rate from 12½ to 10 per cent would cost £100m on the same basis.

A one point change in the rate of employers' national insurance surcharge—at present 3½ per cent—would bring in £600m in a full year.

The figures also highlight the large revenue cost of changes at the lower end of the income tax bracket. A £250 change in the present lower rate band—25 per cent on the first £750 of taxable income—has a revenue impact of £405m in a full year at 1978-79 earnings. But a change of £1,000 in the higher rate income tax thresholds—at present from 40 per cent on £8,000 of taxable income up to 55 per cent on £24,000—has a revenue impact of only £140m in a full year.

Public investment may try to far too low, say construction leaders

BY PAUL TAYLOR

LEADERS of the construction industry have told Government ministers that the level of public investment in construction is still far below that needed to support national economic and social requirements.

In a paper submitted to the House of Commons yesterday the Group Eight—comprising leading figures from professional bodies, institutions and so forth—argues that the Government's construction plans for the economy and the future ability of the construction industry to meet continuing national needs are in jeopardy.

The Group's submission has been timed to coincide with the Commons Expenditure Committee's report commenting on the Government's Expenditure White Paper.

For the first time, the White Paper included a separate detailed analysis of planned expenditure affecting the construction industry. The submission, which campaigned strongly for this change, is seen as an attempt to maintain the pressure on the Government.

In most major programmes, including roads, water and sewerage, health, housing and education, present levels of planned and actual public investment in construction fell short of requirements.

UK ECONOMIC INDICATORS

ECONOMIC ACTIVITY—Indices of industrial production, manufacturing output (1975=100); engineering orders (1975=100); retail sales volume, retail sales value (1971=100); registered unemployment (excluding school leavers) and unfilled vacancies (000s). All seasonally adjusted.

	Indl. prod.	Mfg. output	Eng. order	Retail vol.	Retail value	Unemp.	Vacs.
1977							
4th qtr.	105.8	101.9	100	104.7	239.6	1,431	157
1978							
1st qtr.	106.9	102.1	100	106.4	246.4	1,409	188
2nd qtr.	110.9	104.7	96	107.9	254.4	1,367	213
3rd qtr.	111.2	104.9	103	110.7	266.6	1,380	213
4th qtr.	109.9	102.7	107	110.7	272.5	1,340	220
1st qtr.	110.5	104.2	107	109.6	265.9	1,378	219
2nd qtr.	108.9	102.1	101	110.2	267.9	1,360	228
3rd qtr.	109.6	102.5	101	110.5	269.7	1,339	231
4th qtr.	111.3	103.6	107	113.8	279.8	1,321	231
1979							
1st qtr.				109.6	273.1	1,339	236
2nd qtr.						1,363	231

OUTPUT—By market sector: consumer goods, investment goods, intermediate goods (materials and fuels); engineering output, metal manufacture, textiles, leather and clothing (1975=100); housing starts (000s, monthly average).

	Consumer goods	Invest. goods	Intmd. goods	Eng. output	Metal mfg.	Textile Houng. etc.	Housg. starts*
1977							
4th qtr.	104.9	97.1	114.3	98.2	95.4	100.2	20.7
1978							
1st qtr.	105.2	99.1	116.1	100.0	95.0	97.8	17.8
2nd qtr.	107.8	98.6	122.6	100.0	107.8	101.0	27.1
3rd qtr.	107.3	100.2	123.3	101.0	101.6	102.8	22.9
4th qtr.	106.3	96.5	123.0	96.0	97.5	100.6	20.6
1st qtr.	109.0	101.0	123.0	105.0	92.0	104.0	20.3
2nd qtr.	107.0	99.0	123.0	99.0	100.0	101.0	25.1
3rd qtr.	105.0	96.0	121.0	96.0	98.0	100.0	24.5
4th qtr.	106.0	96.0	123.0	95.0	93.0	102.0	20.7
1st qtr.	107.0	98.0	125.0	98.0	101.0	101.0	16.1

EXTERNAL TRADE—Indices of export and import volume (1975=100); visible balance; current balance; oil balance; terms of trade (1975=100); exchange reserves.

	Export volume	Import volume	Visible balance	Current balance	Oil balance	Terms trade	Resv. US\$bn*
1977							
4th qtr.	117.3	102.4	-16	+580	-659	102.4	20.29
1978							
1st qtr.	119.6	113.8	-590	-361	-620	105.4	20.63
2nd qtr.	122.2	110.0	-173	+135	-244	104.5	16.75
3rd qtr.	124.9	114.4	-365	-49	-501	105.7	16.55
4th qtr.	125.1	112.8	-1	+359	-480	106.7	15.77
1st qtr.	125.9	111.3	+40	+160	-135	106.0	15.97
2nd qtr.	122.6	114.1	-108	+12	-162	107.3	15.87
3rd qtr.	128.7	113.0	+67	+187	-183	106.8	15.69
1979							
1st qtr.	113.1	107.3	-119	+1	-60	107.7	16.26
2nd qtr.							16.62

FINANCIAL—Money supply M1 and sterling M3, bank advances in sterling to the private sector (three months' growth at annual rate); domestic credit expansion (£m); building societies' net inflow; HP, new credit; all seasonally adjusted. Minimum lending rate (end period).

	M1 %	3M advances %	Bank %	DCE £m	BS inflow	HP lending	MLR %
1977							
4th qtr.	23.2	12.6	8.7	+698	1,639	1,189	7
1978							
1st qtr.	24.3	23.8	17.5	+1,811	1,049	1,263	6½
2nd qtr.	8.5	15.7	24.6	+3,391	694	1,398	10
3rd qtr.	16.8	5.3	8.6	+534	746	1,425	10
4th qtr.	9.7	9.7	8.8	+1,490	878	1,425	12½
1st qtr.	13.8	5.5	9.9	+541	863	470	10
2nd qtr.	12.1	10.7	9.9	+113	261	506	12½
3rd qtr.	9.7	9.7	8.8	+836	254	449	12½
1979							
1st qtr.	13.6	16.5	20.0	+839	289	491	12½
2nd qtr.							14

INFLATION—Indices of earnings (Jan. 1975=100); basic materials and fuels, wholesale prices of manufactured products (1975=100); retail prices and food prices (1974=100); FT commodity index (July 1982=100); price weighted value of sterling (Dec. 1971=100).

	Earnings*	Basic matls.*	Wholesale mfg.*	RPI*	Foodst*	FT commodity	Strig.
1977							
4th qtr.	119.9	142.2	145.8	187.4	193.3	234.2	63.3
1978							
1st qtr.	123.1	140.2	149.2	190.6	197.3	238.51	64.6
2nd qtr.	129.9	146.3	151.8	195.8	205.8	242.27	61.5
3rd qtr.	133.2	144.9	154.8	199.2	206.2	253.74	62.4
4th qtr.	135.5	147.1	157.3	202.5	208.0	257.69	62.7
1st qtr.	138.2	145.7	156.6	201.1	205.5	265.22	62.5
2nd qtr.	136.1	147.3	157.1	202.5	207.9	263.63	62.5
3rd qtr.	138.1	148.2	158.3	204.2	210.5	257.69	63.2
1979							
1st qtr.	150.4	159.8	207.2	217.5	260.63		63.4
2nd qtr.	151.1	161.5			267.26		64.2

* Not seasonally adjusted.

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Ocean looks at £6m rail freight plan

BY LYNTON McLAIN

OCEAN Transport and Trading, one of Britain's largest shipping groups, may back a £6m plan for up to three inland road and rail freight terminals. This could lead to a major transfer of freight from road to rail.

A £50,000 nine-month study of the possibilities is being undertaken by Ocean's subsidiary, Transflash McGregor, a Bradford-based freight forwarding company, most of whose cargo is transported by road.

Talks with British Rail on suitable sites for sidings started five months ago, Mr. Harry Pointon, managing director of Transflash McGregor, said in London yesterday. The plan had been given added impetus by the "unmitigated disaster" for freight forwarders "of the lorry drivers' strike".

Road haulage costs were rising at a "staggering rate", he said. "There had already been 'savagery' increases as a result of the strike and the impact of environmental pressure groups, the tachograph and the reduction in permissible hours

for drivers, to conform with European Commission laws "should make rail forwarding competitive in price and speed," Mr. Pointon said.

Rail already had a 10 per cent price advantage over road haulage, and this differential would increase, he said.

The company's move into rail forwarding, if agreed, would be based on up to three rail terminals each able to handle 2,000 tons of cargo a week.

Rising road haulage costs would be accompanied by improved rail transport economics due to technical developments. New rail freight wagon designs, twice as long as existing 30 feet designs, are already being introduced by British Rail. Each has a 54 ton capacity, compared with a 32 tons maximum loaded weight of lorries in Britain.

The TOPS rail computer for freight handling would also improve efficiency and would be fully operational in Europe in two years. TOPS will store details of location or destination of individual cargoes.

U.S. scientist discounts genetic engineering risk

BY DAVID FISLOCK, SCIENCE EDITOR

THE RISKS from genetic engineering are so slight that British researchers should stop worrying about them, says a Nobel Prize-winning scientist who directs a leading U.S. research centre in the field.

Professor James Watson, who shared the 1962 prize with Dr. Francis Crick for their discovery of the "double helix" structure of genetic material at the University of Cambridge, believes Britain should abandon efforts to regulate the work of scientists in this field, and press on with research as quickly as possible.

Writing today in the journal *Nature*, he says there is no evidence that any experiment in

genetic engineering "poses any realistic threat to any scientist who uses the tools of his trade, much less to society itself," but society should remain aware that research workers might stumble to a disease not seen before.

He criticises the efforts of the Government's Genetic Manipulation Advisory Committee in trying to decide which experiments should and should not be performed, as "having no more validity than quantitative religion."

The advisory committee, chaired by Sir William Henderson, has undertaken to say whether a given experiment should be undertaken.

EMI brain scanner gives better data, says survey

EMI's brain scanner gives the doctor better diagnostic data than X-rays for a given amount of radiation, says a study made jointly by the National Radiological Protection Board, the Government's "watchdog" on public exposure to radiation, and the company.

The study was undertaken partly because of fears in the U.S. that the new technique of X-ray scanning, pioneered by EMI, was over-exposing patients to radiation.

These fears have been responsible for some of the sharp decline in sales of com-

puterised tomography scanners. EMI, with over 50 per cent of the world market, has been particularly severely affected.

The survey, published in the latest issue of the *British Journal of Radiology*, shows that a typical brain scan exposes the patient to about the same amount of radiation as one or two conventional skull radiographs.

But if the brain scan is made in the high-accuracy mode, the patient receives about five times the dose.

The researchers investigated all present models of EMI-Scanner except the most recent.

Sony to double stake in Britain

SONY, the Japanese consumer electronics company, is to double its manufacturing investment in the UK with a £8m expansion of its factory in Bridgend, South Wales, it was announced yesterday, writes Max Wilkinson.

The plant, which is now making 100,000 colour television sets a year, is to be expanded to a capacity of 150,000, half of which will be exported.

The expansion, helped by government grants, will add 140,000 square feet to its factory. New buildings for quality research and development work aimed to increase the proportion of UK-made components are also to be added.

The extension will be completed in late 1980. By 1983 the number of employees at the factory is expected to go up from the present 650 to 850.

Investment

Sony (UK) said the new investment would be about £8m in addition to the investment of £5m so far. He said there would be a substantial contribution from the Government under various industry schemes, but the exact amount had not yet been calculated.

Sony added: "We are particularly pleased that our increased investment in the UK carries the support not only of the Welsh Office, but also the Department of Industry."

Mr. John Morris, Secretary for Wales, said yesterday: "In five years Sony has established itself as one of the major employers in South Wales and as an important contributor to the UK export effort and to import saving."

City celebrations for Institute of Bankers

By Michael Lafferty, Banking Correspondent

THE Institute of Bankers, with a membership of 111,000, is celebrating its centenary this week.

The centenary events in the City include a conference of presidents and chief executives of world banking institutes, a service of thanksgiving in St. Paul's Cathedral today, and a centenary dinner at Guildhall tomorrow.

Mr. Malcolm Wilcox, a chief general manager of Midland Bank, is president of the institute.

OFFICIAL REPORT WARNS OF GRAVE RISKS OF DECLINE

Japanese investment 'can save electronics industry'

BY MAX WILKINSON

THE BRITISH consumer electronics industry is facing grave risks of further decline unless it can achieve a major rationalisation and an influx of new technology, according to a strategy document presented yesterday by the National Economic Development Council.

The report by the consumer electronics working party suggests that Japan would be one of the most important sources for new technology and investment needed to rescue the industry.

Total investment needed over the next five years could be about £300m. A substantial proportion of this would have to come from the Government.

The report does not say how much the Government subsidy should be, but it can be assumed that the taxpayer would have to give about £75m to £80m over the period.

To be competitive, colour television production would have to be concentrated in a few large plants each with a capacity of 500,000 sets a year.

The working party's conclusions are based on an international study of the industry commissioned from the Boston Consulting Group last March. The study concentrated on colour television, but it says similar arguments apply to other consumer electronic products.

The report recognised at an early stage that weaknesses in the UK industry's structure were a barrier to improved performance.

It also recognised that rapid changes were occurring in the pattern of international trade and investment, which carried with them substantial risks for the future development of the industry in the UK.

Weaknesses

The restrictions applying to the licence for the PAL colour system used in all western Europe except France had tended to limit imports of colour sets to the UK. But the effectiveness of this non-tariff barrier was likely to diminish

as patents expired in the next few years.

The Boston group's study focused attention on four main weaknesses in UK manufacturers:

- The relatively small size of UK factories and the fragmentation of the industry between nine different manufacturers.
- Weaknesses in product technology and design.
- Weaknesses in production technology.
- Deficiencies in the quality of products and components.

The working party adds its own fears about weak development of new products, of export marketing and a low level of industrial research, including the gathering of industrial intelligence.

"Against this background, the future of the industry looks extremely bleak, and a further loss of market share, and hence of UK output and employment, may be anticipated in the future."

Development

This decline could be expected to be caused by:

- The diminishing effectiveness of the PAL licence as a trade barrier.
- The possible decline of the rental industry in the UK. The rental chains have acted historically as a barrier to imports since they buy mainly British sets, and in some cases are controlled by set-making companies.
- Increasing industrial development of the Far East, including production in Korea and elsewhere using Japanese technology.
- Efforts by rival European set makers to improve competitiveness as the protection of the PAL licence diminishes.

The report said the Boston group had clearly demonstrated the technological lead taken by Japanese manufacturers in terms of manufacturing process and of product design aimed to reduce the assembly costs. This had given Japan a 25 per

cent cost advantage over European producers.

The Boston group said that the survival of the UK industry against these competitive pressures would depend on re-organisation of UK colour television production into units large enough to justify the use of cheap automated assembly. The size of these units would be about 500,000 sets a year.

Expansion

Secondly, the group said the UK industry would require increased involvement of existing Japanese technology. It would also have to buy process technology from abroad, and improve the quality of UK components.

The working party commented on these suggestions: "In the UK, only Thorn and Philips currently possess the colour television production volume (although dispersed over several production sites) necessary to establish a single plant of the necessary scale for low cost automated assembly."

The consultants have established that the Japanese see the UK as the best country in Europe for expansion of television and consumer electronics production.

The advantages seen by the Japanese include the large home market, low labour costs, a sound technology base, an experienced labour force, good trading relations and the language.

The working party broadly agrees with the plan to encourage Japanese investment, but said it involved the danger that most advances in the new technology would be carried on outside the UK.

It suggested, therefore, that licensing arrangements combined with the establishment of a UK industry research association could help to strengthen the UK's technological base.

No future production target is given in the report, but the working party is believed to be aiming for a total output of some 3m colour sets a year in the mid-1980s, of which 1m would be exported.

Craven joins S. G. Warburg

Mr. John Craven, the former chairman of Credit Suisse First Boston, is to join S. G. Warburg, the British merchant bank, as vice chairman.

Mr. Craven, 38, will thus be returning to the bank which he left in 1972 to join White Weld, the U.S. investment bank which later joined forces with Credit Suisse in Europe to establish the forerunner of Credit Suisse First Boston. He became a director of Warburg in 1969, at 28, one of the youngest ever. It was largely because he disagreed with the link up between Credit Suisse and First Boston that Mr. Craven left CSFB late last year. Since then his next employer was the subject of much speculation in the City.

Mr. Craven has had to stand down as representative of the foreign banks on the City's Council for the Securities Industry. He will join three other vice-chairmen, Mr. Warburg, who also has two co-chairmen and a deputy chairman.

Mr. Desmond H. Pitcher has been elected to the main Board of the PLESSEY COMPANY.

He is managing director of Plessey Telecommunications International, the management company in charge of the

group mines. Mr. J. D. B. Engels, formerly senior companies secretary, has been appointed secretary of De Beers Consolidated Mines.

The resident director of De Beers Consolidated Mines, Mr. Alex Hall, who for many years has played a leading role in the affairs and growth of Kimberley, has retired after serving the company for 50 years.

WILLIAM PICKLES AND CO. has appointed two additional members to the parent Board. Mr. Roger C. H. Fielding becomes managing director of the apparel division, and Mr. Alan E. Lambert is managing director of the sports and leisurewear division.

TUDOR SAFETY GLASS COMPANY, part of the Royal Doulton Group, has been reorganised into two separate divisions. Mr. Geoff. Baggott has been made managing director of the architectural glass division, which is moving to a new seven-acre complex at Sittingbourne, Kent. The space released will allow for expansion of the laminated windscreen division under its new managing director, Mr. Ken Bell.

GUARDIAN ROYAL EXCHANGE ASSURANCE announces that Mr. E. P. Greenfield, general manager, group development, will, in addition, become chief actuary and be given strategic responsibility for the group's world-wide life operations. The appointment is from June 30 on the retirement of Mr. G. V. Blackett, currently deputy general manager and chief actuary. Mr. G. C. Nunn has been appointed to assistant general manager and principal actuary and Mr. S. A. Hopkins becomes assistant general manager, Life.

Mr. Charles Merland, a local director of the Birmingham district of BARCLAYS BANK, has been seconded to the industrial development unit of the Department of Industry in London as a deputy director. The unit is involved in financial and commercial appraisal of applications for selective assistance from the manufacturing sector.

Mr. David L. Milne will be joining GLYNEDD as financial director. He has been group finance director of Wilmsham Breeden (Holdings) since 1975.

Mr. Ian MacKnight has been appointed director of marketing at MEREDUE FURNITURE.

Mr. Charles F. W. Wyatt has been appointed a director of Western Queen (1986) NL, the Western Queen (1986) NL, the Western Australian oil and diamond exploration company.

Mr. Brian R. Counsell, distribution general manager of BASS NORTH, has been appointed to the Board as distribution director.



DESMOND FITCHER

Group's worldwide telecommunications interests. This company is soon to be restyled Plessey Telecommunications and Office Systems. Until October 1, 1978, Mr. Pitcher was managing director of New Leyland Vehicles Limited. Prior to that, he was deputy chairman of Sperry Rand.

Mr. F. M. Hodson, formerly group secretary of DE BEERS CONSOLIDATED MINES, has been appointed a director in place of Mr. A. S. Hall who has retired. Mr. Hodson will retain responsibility for the head office organisation in Kimberley and the group's offices in Cape Town and Windhoek. He will also continue to provide advisory and co-ordinating services to the administrative and financial departments on

Bullish outlook for gilts, say stockbrokers

BY OUR ECONOMICS CORRESPONDENT

A BULLISH outlook for gilt-edged stock over the next year is being put forward in stockbrokers' circulars.

But several City analysts warn that the market will need to be convinced of the plausibility of the Budget measures and projections.

Phillips and Drew says the recent sharp rise in gilt prices has reflected hopes that there will be a tough budget.

But "the market may need convincing that the Budget measures indeed ensure that public sector borrowing will not exceed £8.5bn in 1979-80. "Nevertheless, a slackening

in the pace of economic activity, which is already evident in production and employment statistics, provides a favourable background for gilts in the year ahead."

"Furthermore, the stability of sterling, on the back of a modest current account balance of payments surplus, will enhance the international attractions of double-figure yields on UK Government securities."

Stockbrokers Fielding Newson-Smith argue that long-term yields have now peaked after the turn in the market last month. The prospect of a fiscal deflation reinforcing the slow-down in economic activity which has already started seems to provide the background for a gently declining level of interest rates from now.

However, the brokers still believe that the 12 month rate of inflation will not move above a range of 10 to 11 per cent this year.

A similar view of the inflation prospects is taken by the Henley Centre for Forecasting in the March issue of its framework forecasts published yesterday. The centre projects an average rate of price inflation of 10.7 per cent this year.

Wives win appeal on eviction

TWO BUSINESSMEN'S wives who discovered that their husbands had mortgaged their homes to a bank to raise working capital yesterday won an Appeal Court battle against eviction.

Lord Denning, Master of the Rolls, said that a mortgagee should take account of a wife's interest in her home when lending money to the husband, even if only the husband's name was on the title deeds.

The court allowed, with costs, appeals by Mrs. Anne Brown, of The South Glade, Bexley, Kent, and Mrs. Julia Boland, of Ridge Park, Purley, Surrey, against possession orders for their homes granted to Williams and Glyn Bank.

Possession proceedings had been taken when Mr. Norman Brown, a film producer, owed the bank £38,000, and the business of Mr. Michael Boland, a builder, failed, leaving £32,500 debts.

The bank was given leave to appeal to the House of Lords on its undertaking not to apply for any costs against the two wives if successful.

Additions to Debenhams subsidiary Boards

DEBENHAMS has made the following appointments to the Boards of subsidiary companies: Mr. J. B. Vickery, formerly commercial director of Debenhams department store division and recently appointed trading director of the fashion multiples division, has been appointed a director of Harvey Nichols and Debenhams (Manufacturing and Supplies) ("English Lady"). Mr. F. A. Taylor, financial controller of Lotus, has been appointed a director. Mr. E. C. Rayne has been appointed assistant managing director of H and M. Miss E. Wilkinson, who is responsible for personnel at Cresta Silks, has been appointed a director.

METRIX, which will be engaged in the short-term rental of sophisticated electronic test equipment, and have become managing and sales director respectively, Mr. Bob Gollman, a director of Development Capital, which manages Small Business Capital Fund, the venture capital arm of the Co-operative Insurance Society, who are producing the backing of Lord David Warren, have also joined the Board.

Mr. J. H. Murray has been appointed a non-executive director. Mr. A. McGearty, company secretary and Mr. V. J. Jeffries, credit manager of WHOLESALE VEHICLE FINANCE.

Mr. Barry Battifant has been made finance director of the AMOY CANNING CORPORATION (HONG KONG), subsidiary of Sime Darby. Previously he was director and group accountant for Davenport Brewery. Amoy has also appointed Mr. Harold Bingley as marketing controller. Previously, Mr. Bingley worked as marketing manager for Yardley International in the Philippines.

The Secretary for the Environment, has appointed Dr. Alan H. Wickens, director of research, British Railways, to the NOISE ADVISORY COUNCIL.

Commander Hugh Faulkner has been appointed secretary of the ROYAL WARRANT HOLDERS ASSOCIATION on the retirement of Lt-Col. W. Keown-Boyd. The president, Mr. Richard Roberts, has resigned on completion of his year in office. The Council has elected the following officers to serve for the ensuing year: President Sir Nevill Macready managing director of Mobil Oil Company; vice-president Mr. J. A. Riddell-Webster, chairman of National Benzole; and honorary treasurer, Mr. Edward Rayne, chairman and managing director of H. and M. Rayne.

The Lord Chancellor has appointed Mr. Registrar Grundy to succeed Mr. Registrar Hibbert as one of the two registrar members of the COUNTY COURT RULE COMMITTEE.

Mr. Michael Gosbell has been made sales director of automotive division of RANWAL, Luton-based industrial foam converters. He was previously sales manager.

Mr. David Kettle and Mr. Bob Mundy have formed LEASE-

Mr. F. Pickles has been appointed chairman of ASHLEY ACCESSORIES, Astral Pressings, and Ranton and Company (Rock Electrical Accessories). He will retain his former duties as managing director.

Mr. H. R. Toomey has been appointed managing director of CENTRAL PLASTICS (INDUSTRIAL).

BE ON TIME WITH THE SPEAKING CLOCK



MEDIUM TERM PROJECT FINANCING

US \$ 145 000 000.—

SONATRACH

Société Nationale pour la Recherche, la Production, le Transport, la Transformation et la Commercialisation des Hydrocarbures

BANQUE EXTERIEURE D'ALGERIE

Managed and provided by

SODITIC INTERNATIONAL S.A.

November 1978

MEDIUM TERM PROJECT FINANCING

US \$ 6 000 000.—

SOCIÉTÉ NATIONALE DE SIDÉRURGIE

Guaranteed by

BANQUE EXTERIEURE D'ALGERIE

Managed and provided by

SODITIC INTERNATIONAL S.A.

November 1978

New Laurel Six

It has crisp and distinctive new styling front and rear; the long list of no-cost "extras" has been stretched even longer; power steering is now fitted as standard...and the price remains uncompromisingly competitive!



New Laurel Six

(P.S. Any day now, he is also likely to have the incredible, high performance Datsun 280ZX 2 seater and 2+2—already winner of the coveted 1979 "Imported car of the year" award in America!)

	Laurel Six Mark II	Mercedes 200	Audi 100L 5S	BMW 520	Volvo 244 D/L
Engine	1998 6 Cyl	1988 4 Cyl	2144 5 Cyl	1990 6 Cyl	2127 4 Cyl
Price	£4937	£7346	£5790	£7099	£5285
Tachometer	✓	NO	NO	NO	✓
Tilt adjust steering	✓	NO	NO	NO	NO
Radio MW/LW	✓	NO	NO	NO	NO
Stereo cassette	✓	NO	NO	NO	NO
Power steering	✓	✓	£390 extra	£312 extra	£287 extra
Door warning reflectors	✓	NO	NO	NO	NO
Interior fuel lid release	✓	NO	NO	NO	NO
Interior boot release	✓	NO	NO	NO	NO
Headlight warning monitor	✓	NO	NO	NO	NO
Door ajar warning light	✓	NO	NO	NO	NO
Rear heater duct	✓	NO	NO	NO	✓
Plug in lead light	✓	NO	NO	NO	NO
Tinted glass	✓	NO	£237 extra	✓	£150 extra
Inner protective fender	✓	NO	NO	✓	✓
Lockable glove box & light	✓	NO	✓	✓	✓
Adjustable head rests	✓	✓	✓	✓	NO
Body side protective moulding	✓	✓	✓	✓	✓
Bumper with protective rubber strip	✓	✓	✓	✓	✓
Handbrake warning light	✓	✓	✓	✓	✓
Quartz clock	(Digital)	✓	✓	✓	✓
Centre console	✓	✓	✓	✓	✓
Laminated windscreen	✓	✓	✓	✓	✓
Halogen headlamps	✓	✓	✓	✓	✓

Prices quoted include Special Car Tax, V.A.T., Inertia Reel Seat Belts and Driver's Door Mirror



Skyline 240K Coupe

UK NEWS — PARLIAMENT and POLITICS

LABOUR

PM outlines pay commission's role

BY IVOR OWEN

ADVANTAGES gained by workers in the public sector through greater job security and index linked pensions will be among the factors considered by the Standing Commission on Pay Comparability, the Prime Minister assured the Commons yesterday.

There was a mixed reception for the new body, with Mrs. Margaret Thatcher, the Opposition leader, warning that the pay settlements resulting from its deliberations could prove inflationary.

Labour and Tory backbenchers saw it as an instrument for perpetuating incomes policy.

Mr. Callaghan maintained that the dislocation caused by the strikes by low paid public service workers showed the need for such a body, which he believed the public would see as a welcome and early development from the recent agreement reached between the Government and the TUC.

He emphasised: "I think more and more people are moving to the conclusion, certainly in the public sector where free collective bargaining clearly does not apply, that an incomes policy is becoming more and more self-evident."

The Prime Minister looked to the standing commission to prevent any further "merry-go-round" of leap-frogging wage claims.

He contended that the fact that it would be operating on a permanent rather than an ad hoc basis offered the hope that it would be more successful than earlier pay review bodies in ensuring that "this circularity will not be allowed to persist."

He confirmed that the standing commission's first task would be to undertake the comparability studies offered to the four groups of public service workers involved in recent disputes—the local authority manual workers, National Health Service ancillary workers, ambulance men and university manual workers.

The commission was being asked to report on these groups by August 1, 1979 and this meant that the chairman, Professor Hugh Clegg, and other members were being set "rather a fast pace" for the first few months.

Mr. Callaghan defined the commission's role as being "to examine the terms and conditions of employment of particular groups of workers referred to it by the Government in agreement with the employers and unions concerned, and to

report in each case on the possibility of establishing acceptable bases of comparison, including comparisons with terms and conditions for other comparable work and of maintaining appropriate internal relationships."

Any further role for the commission in each case would be a matter for agreement between the Government and the parties.

If the nurses accepted the Government's offer of a comparability study, their case would also be examined by the commission.

Mrs. Thatcher argued that the arrangements outlined by the Prime Minister contained a fundamental contradiction.

The commission was being asked to examine the feasibility of establishing acceptable bases of comparison while at the same time the assumption had been made that bases of comparison existed.

Some of the workers had even been offered £1 on account.

Mr. Dennis Skinner (Lab., Bolton), a member of the party's national executive, cynically reminded the Prime Minister that there was another view about incomes policy. "It's known as Labour Party policy," he said.

Mr. Skinner dismissed the members of the commission as a "crowd of unacceptable moonlighters," and complained that what happened in the real world was that the workers got "hammered" while the wealthy groups, like those who speculated in gilts, picked up the money.

With an unusual show of irritation, the Prime Minister accused Mr. Skinner of exhibiting his usual arrogance by assuming that he was the only one who knew what the Labour Party view was.

"I am tired of taking it from him every time he gets up," said Mr. Callaghan. In the real world, he insisted, wherever comparability arrangements applied, those concerned were the last to want them removed.

An equally jaundiced view of the commission came from Mr. Hugh Fraser who asked why it was necessary to reargue the failures of previous governments.

The proposal to establish the commission was just another way of deluding workers and guaranteeing inflation and should be withdrawn.

The Prime Minister replied that the new body would be able to benefit from the mistakes

of the past. It was starting its life with the advantage that the trade unions were in agreement that a fresh attempt should be made to overcome the problems which had caused difficulties in the past.

But he agreed with Mr. David Price (C, Eastleigh) that there was no scientific or objective basis for calculating pay rates. "There must be some basis. We have to do the best we can. It is a very muddled field."

Mr. Callaghan underlined the fact that the commission would operate only with the agreement of the parties concerned. It would not subsume other negotiating bodies like the Burnham Committee which deals with teachers' pay, but if, as it grew in authority, other groups wished to come within its ambit they would be free to do so.

Replying to Mr. Michael Heseltine, the Conservative shadow environment minister, the Prime Minister confirmed that the cash limit would not prevent the Government increasing the amount provided for local authorities through the rate support grant, to take account of any comparability award made to local authority workers.

Directors bemoan low pay

BY JOHN LLOYD

THE salaries of a number of Board members of nationalised industries are still less than those of executives below Board level, the select committee on nationalised industries was told yesterday.

This would remain true even after implementation of salary increases recommended by the Top Salaries Review Body and accepted by the Government last July, unless these increases were accompanied by an annual "update" to take account of inflation.

It was possible that "reverse differentials" would remain even then.

The salary increases, which are around 30 per cent up on the levels recommended by the TSRB in 1974, were to be paid in three stages—one, already paid, in January of this year; a second next month and the third in April 1980.

Mr. Peter McCunn, deputy chairman and managing director of Cable and Wireless, the state-owned telecommunications company, said that six executives below Board level in the company were at present earning more than he was.

Mr. Denis Dodds, the chairman of the Association of Members of State Industry Boards, told the committee that in another State industry, 47 Board members had received less than top executives.

In a memorandum submitted to the committee, the Association argues that "anomalies in relationships and reverse differentials will remain at least until April 1980 and their removal even at that time will depend on a Government commitment to update the salaries."

"The Government's failure to implement pay increases recommended in 1974 continues to be a matter of astonishment in a society concerned to be even-handed in dealing with the rights of minority groups."

White Paper notes research progress

BY DAVID FISLOCK, SCIENCE EDITOR

CHANGES made in the management and funding of Government research in 1972, following proposals from Lord Rothschild, as head of the Cabinet Office "think tank," have strengthened the Government's research and development machinery, concludes a White Paper published yesterday.

But the Government has identified four problem areas for further study:

● The recruitment, structure and management of the Scientific Civil Service, and specifically the movement of scientists into administrative posts;

● The need for its Advisory Board on the Research Councils to spend more time on general scientific issues;

● The problems experienced by the Department of Health in managing research by the Medical Research Council in areas in which the department lacks its own expertise;

● The problems of the Social Science Research Council in commissioning research.

The basis of the 1973 changes (Cmd 5048) was a substantial shift of the science vote towards research promoted by Government departments in support of their policies, and away from research undertaken without a direct application in view.

The changes, broadly designated the customer-contractor relationship, were

strongly contested by the scientific community, and particularly by medical scientists. They require departments "to act as enlightened customers, collaborating with contractors so that these give of their best in discharging particular commissions and develop, and improve, their capability for the future."

Departments and their research and development contractors, says the White Paper, are increasingly pooling their experience and expertise, "and this must, over time, enable each party to perform its functions more efficiently."

As a result of the setting up of chief scientists and their secretariats in certain departments, these are now better placed to determine what resources should be devoted to research and development.

The White Paper says that it is still too early to evaluate the strength of arrangements for inter-departmental co-ordination introduced in 1976.

But present indications are that they are working well. Research and development totalling £286m was commissioned by the civil departments of Government in 1977-78. The Ministry of Defence spent another £802m in this way.

Review of the framework for government research and development Cmd 7499, S.O. £1.25.

tries had decided to go ahead with the scheme to phase out MCAs. They had agreed between themselves to behave as though the proposals were in force.

"This is a decision for those member states but it has no effect in Community law," Mr. Silkin said. "It in no way affects our ability to get a sustained freeze of common prices nor have we accepted the automatic reduction of our own MCAs."

The Council of Ministers had agreed in principle to the Commission's proposal for a 5 per cent devaluation of the Green Pound, the unit of account used to fix MCAs.

Mr. Silkin said he had supported this move as it was in line with the Government's own farm policy.

The Council also discussed the proposed co-responsibility levy on milk producers which is intended to stop over-production of milk. "The Minister said he had made it clear that Britain could not accept this proposal in its present form because 'it grossly discriminates against our own efficient dairy industry.'"

He had also pressed at the

meeting for an early decision on a reduction of the tariff on the import of new potatoes from Cyprus and had urged that proposals to safeguard farm animals in transit should be brought forward quickly.

Mr. John Peyton, the Conservative agriculture spokesman, strongly supported the stand which the Government had taken on the co-responsibility levy.

He said it would have had a "green effect" on our own efficient producers, while being particularly tender to the Germans, who had played a large part in generating the milk surplus.

He asked for a better explanation of the dispute over MCAs and the decision of the eight countries to go ahead without Britain.

"What really does it mean?" he asked. "Does it mean that the Commission will not be bound by their decision, and therefore MCAs will be paid as before?"

He also approved the Government's support of the 5 per cent devaluation of the Green Pound, but wanted to know when this was likely to be implemented.

General about British Shipbuilders' very low productivity.

But he defended the "non-selective way the intervention fund had been used to help the industry by arguing that it had been a "survival package."

The industry, he said, had to take orders where it could get them and then give them to those yards which had the capacity to deal with them.

Though Sir Peter claimed that the government believed British Shipbuilders had long-term future, he conceded that it would be a very different industry to that which existed before his recession hit-shipbuilders throughout the world.

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Nearly half Dunlop's staff strike over job cuts

BY CHRISTIAN TYLER, LABOUR EDITOR

NEARLY HALF the 43,000 workers at Dunlop's UK downed tools yesterday to support their trades unions' protest at the company's decision to close one of its tyre plants and seek redundancies at two others.

The company said the action had closed the tyre division and caused some disruptions in the industrial products group. All the engineering workers had turned up.

But in spite of pledged support from Continental unions, there had been no action in France, West Germany, Italy or any of the 22 other countries in which Dunlop has factories.

This was contested by Mr. John Miller, a national secretary of the Transport and General Workers' Union, who said there had been short stoppages in German plants on Tuesday, and other stoppages elsewhere while protests about the British contraction were registered with managements.

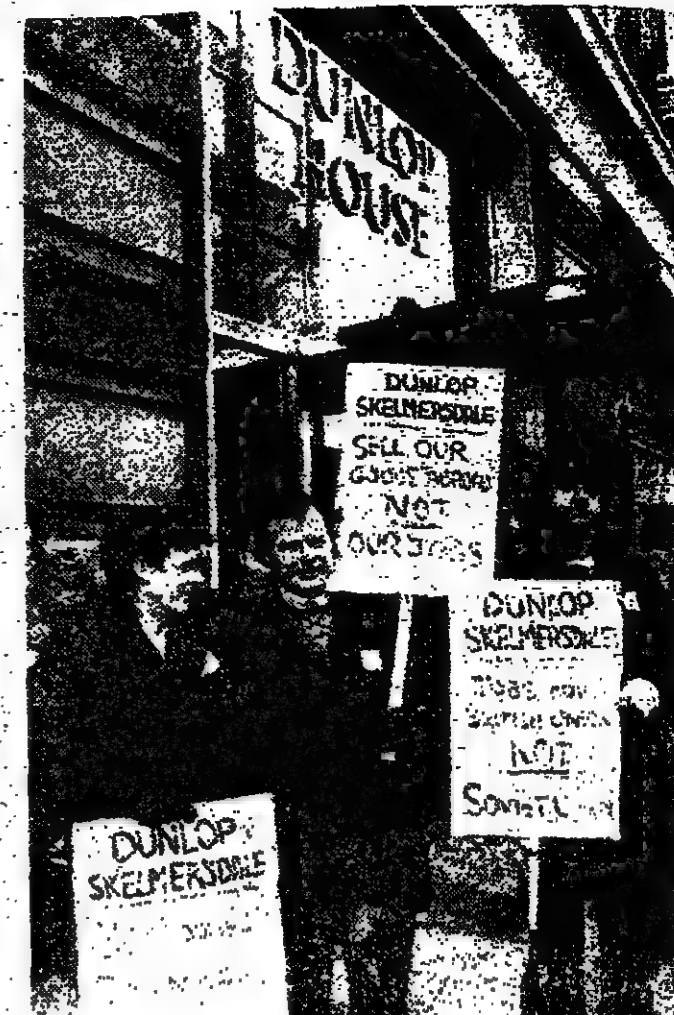
First shot

The UK unions yesterday handed in letters to Dunlop's chairman, Sir Campbell Fraser, at the London head office. They warned that yesterday's one-day protest was only the first shot in what would become a longer campaign of strikes unless the company agreed to negotiate over its plans and to withdraw the 50-day closure notices served on 2,300 workers at Speke, Merseyside.

Mr. Miller said his office had been "flooded with telegrams of solidarity from Continental unions promising sympathetic action if the UK unions had to step up their campaign."

A call for support from other Dunlop plants has gone out from the International Chemical and Energy Federation in Geneva.

A company spokesman said



Hugh Rantledge

the chairman would meet the unions. There was talk yesterday of national talks on March 20.

The company issued the Speke closure notice on January 19; it is to take effect on April 18. At the same time the company said it wanted to reduce staff at Fort Dunlop, Birmingham, by 500 and at Inchinnan,

Glasgow, by 250. Whether those redundancies would be voluntary was being discussed with the unions, as was the question of redundancy pay. Meanwhile, the TGWU was briefing its sponsored MPs last night on Goodyear's decision to close its Clydebank tyre factory in Scotland with the possible loss of 700 jobs.

Booth again seeks Times peace formula

BY PHILIP BASSETT, LABOUR STAFF

LEADERS of unions at Times Newspapers were called in yesterday by Mr. Albert Booth, the Employment Secretary, for talks aimed at finding an acceptable formula to break the three-month deadlock which has halted publication of The Times, its supplements and the Sunday Times.

This further intervention by Mr. Booth follows his last attempt at re-starting negotiations between the company, and particularly the National Graphical Association (NGA) in December.

The talks then came close to achieving a breakthrough in a formula which would have enabled the company and the NGA to negotiate on the crucial issue of new technology. But the possibility collapsed in a disagreement over the issuing of dismissal notices.

The unions claim widespread co-operation for the new tax system for casuals, which is based on the showing of union identification.

Management and NGA representatives at the Yorkshire Evening Press, where publication has been stopped because of a printers' dispute, will have talks next week aimed at finding a settlement.

Forty-eight printers, who have been on a go-slow for five months over an incentive scheme, were dismissed yesterday after working a week's notice.

Regular staff in the Sun's publishing room, members of

the Society of Graphical and Allied Trades, have decided to staff the least important jobs in the area first, according to the Sun. This has left the crucial jobs, without which the papers cannot be got out, to be filled by casuals—but because of the new tax system, casuals have been failing to turn up.

The regular staff, the Sun said, were claiming an unspecified inconvenience bonus payment to change round jobs to fill the gaps.

Mr. Booth, managing director, said that the management had refused to meet the claim because the publishing room workers had no right to employment on a particular machine but were employed to work in the area and should work where instructed by management.

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Regular staff in the Sun's publishing room, members of

Unregistered youth may distort jobless figures

BY OUR LABOUR CORRESPONDENT

MANY YOUNG people fail to register as unemployed and never come in contact with the authorities which should help them find work, says a report published by Youthaid today.

Youthaid, a research and pressure group for young people, argues that because of this, the official unemployment statistics do not convey a true picture of the problem. Not registering is a particular problem among the young, racial minorities and women.

"It would appear that those groups who are most discrim-

inated against in employment, be it on the grounds of race or sex or both, are also the groups which figure most significantly among the unregistered."

Although some evidence suggested that the careers service reached most young people, there was concern about the service in some areas to the less motivated and less well-qualified.

The report suggests that the stigma attached to being unemployed and claiming benefit, complicated procedures.

Strike 'halts arms cash from Iran'

BY OUR LABOUR STAFF

STRIKE action by civil servants is halting arms payments to Britain by the new Iranian Government, the Society of Civil and Public Servants claimed yesterday.

The society and the Civil and Public Services Association are taking selective strike action over the implementation of the results of an independent pay comparability study.

Union estimates based on the study suggest that rises averaging 26-38 per cent are due.

The society said that the

new Iranian Government had been pressing the British Government for details of its outstanding debts on already-supplied arms.

But information was stored on the Ministry of Defence computer in Liverpool, which has been closed down by the strike.

"Therefore the Government is unable to tell Iran how much it owes Britain."

A spokesman for the Ministry of Defence said that there was no progress in payment for arms due from Iran for another month, even

assuming that the contracts were going to stand.

The union also said it would call further lightning customs strikes at various ports in the next few days. Customs officials at Newhaven took action on Tuesday.

Union leaders representing all 600,000 white-collar civil servants will meet Civil Service Department officials today for talks on staging a pay settlement, but unions are not expecting a firm decision until further talks with Ministers.

Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

PROCESSES

Italian polyurethane foam plant

PLANT and process sequences for the continuous production of polyether/polyol streams for manufacture of flexible polyurethane foams are offered by an Italian group.

Pressindustria has carried out a protracted study of the processes and the reactor kinetics involved, based on propylene oxide and ethylene oxide as major raw materials, and using glycerine or similar starters.

Capital cost of the Italian-designed and built plant are claimed to be some 30 per cent lower than existing batch plants and they are provided complete with high reaction rate installations.

Pressindustria Group, 35 Via Porta d'Arnolfo, Bissone, Milan, Italy.

Stripping wire

MODIFIED cutting head assembly is said to provide more efficient stripping by the model CF hand-held wire stripper, marketed by Eraser International, 2/3, Hampton Court Parade, East Molesey, Surrey KT8 9HB (01-879 8141).

Electrically operated, it is designed for the stripping of insulation from enamelled wires used in the manufacture of coils, motors, transformers, etc. The stripper automatically

PACKAGING

Keeping the coil bright and shiny

NOVEL METHODS of reducing risk of water staining of aluminium coil during transit and storage have been developed and introduced in the U.S. by Kaiser Aluminium and Chemical Corporation.

Essential to the method is a new moisture-resistant, recyclable stretch-wrap film for packing coils; returnable plastic pallets and a "happy face" label that signals exposure to moisture.

Aluminium is resistant to corrosion, but is liable to staining in the presence of moisture. Such stains are usually found aesthetically objectionable and may cause processing problems. The U.S. aluminium industry suffers freight damage claims worth several millions of dollars annually, water staining being a major contributor.

The stretch film employed in the new packaging has good resistance to puncture. If torn, the tightly wrapped film keeps moisture exposure to a minimum. End wrappers are of a shipboard/film laminate, treated with a chemical inhibitor to provide extra protection against staining.

The "moisture alert" label,

attached to the film wrapping, features a tell-tale happy face. The left eye of which becomes distorted or runs, i.e., "cries," within an hour of exposure to potentially damaging condensations. The eye's "tears" are irreversible and remain visible even after the wrap and label have dried.

Exposure to moisture does not necessarily involve damage to the coil. However, rapid identification of possible damage at any stage of shipment or storage permits immediate action to be taken. Kaiser Aluminium is accompanying the introduction of the new packaging with printed information to customers incorporating suggestions for specific procedures to be followed when the possibility of damage is discovered. The company is also issuing an updated version of its publication for handling freight loss and damage claims designed to expedite accurate handling of claims where damage occurs and detailing the respective roles of its salesmen, carriers and customers.

Kaiser Aluminium, 25, Old Burlington Street, London, W1X 1LB. 01-487 9777.

SERVICES

Pot of gold in databases

JNILEVER'S involvement in services and special products in the data capture area appears to be paying off extremely well since record results are expected from Unilever Computer Services in the near future and Tymshare UK, of which the company holds 33 per cent, has just disclosed a compound growth rate of about 85 per cent over the past three years.

Tymshare Inc., the major shareholder, is also progressing very rapidly and its turnover for 1978 is put at \$149.6m against \$101.2m with pre-tax profit up 23 per cent at \$19.4m.

The UK arm of the organisation is specialising in the provision of data base management systems, two on IBM

machines and one on DEC 10. They cover sales analysis and forecasting, product profitability and pricing sensitivity studies, cash management and budgeting, and multinational applications carried on Tymnet, which is the company's international communications network covering North America, Western Europe and Hong Kong, Singapore, Japan and Australia.

Tymshare UK works with associates in France and Benelux, Germany and Japan, organised in the same way as it has been, that is with participation from a major local group.

Further details of the services offered from Tymcom, Brettenham House, Lancaster Place, London, WC2E 7EP. 01-240 2639.

QUALITY CONTROL

Compact X-ray source

MADE BY Gilardoni, an important Italian manufacturer of X-ray and nuclear equipment, the MLG 300/6 high powered portable X-ray generator can now be supplied by Delladene of Stewkley Road, Southbury, Leighton Buzzard, Beds (052527 455).

Generating a maximum potential of 300,000 volts the unit is capable of 100 mm penetration in steel and its wide 50 deg beam angle is useful in providing better than normal coverage for short field focal distance.

The control unit employed regulates the anode current irre-

spective of the potential employed so that it is possible to adjust penetrative power to suit the work in hand simply by adjusting the anode potential between 75 and 300 kV.

Low weight (57 kg) of the unit is achieved by the use of light alloy construction and the use of lighter than normal transformer lamination material.

Accurate positioning with respect to the work is facilitated by a telescopic beam finder. A set of diaphragms is provided to limit the beam angle together with a blanking disc to limit ray passage during tube run-up.

COMPONENTS

Designed to take the strain

EUROPE'S first aerospace production item to be made from carbon fibre—an air brake assembly on the Franco-German Alpha jet aircraft—is moulded from Carboform high-performance prepreg material manufactured by Fothergill and Harvey at its Littleborough plant.

Carboform was selected by the Alpha design team following a 14-month evaluation of carbon fibre prepreg materials supplied by a number of European firms.

Tough tests were carried out to determine the effects of high temperatures and high humidity on the mechanical properties of laminates made from three materials. They demonstrated the qualities of the UK company's Code 89 resin system which led to the selection of Carboform.

The air brake mouldings are fitted each side of the fuselage just forward of the tailplane assembly and are about 1250mm (49in) long and 530mm (21in) wide.

When the aircraft is preparing to land a hydraulic actuator moves the hinged moulding into the airstream, thus reducing the airspeed. The high strength of the carbon fibre enables the moulding to withstand the enormous stresses that this operation places upon it. At the same time the very low weight of the moulding ensures that there is minimal penalty to lessen the Alpha jet's performance.

Production facilities for Carboform tape at Littleborough are among the most advanced in



Air brakes just forward of the tailplane assembly on the Franco-German Alpha jet aircraft are based on carbon fibre.

Europe and embody prepreg production skills that have been continuously developed from the early 1960s to the present day.

Quality control checks at critical stages of manufacture have led to approval by the Ministry of Defence (Defence Standard 05-24) and the CAA.

Over 400 Alpha jets are currently on order and the joint manufacturers Dassault-Breguet and Dornier are confident that the estimated potential market of 1,000 aircraft will be exceeded.

Fothergill and Harvey, Summit, Littleborough, Lancs O115 9QP (0706 78831).

Easier servovalve control

DEvised BY Abex Denison of Victoria Gardens, Burgess Hill, Sussex RH15 9ND (04446 5121) are a number of plug-in printed circuit cards which, used in conjunction with the company's solenoid-operated servovalves or flow controller allow simplified selection by the customer of a number of specified functions.

Eliminating the need to custom-build the necessary electrical controls, the units can work with most available transducers.

Ideal applications are in pump control and in hydrostatic transmissions. In addition to proportional control, derivative or velocity feedback can also easily be incorporated to provide an efficient means of damping control without heat generation or valve over-sizing.

Systems can be arranged with one or two feedback elements for controlling flow, position, speed, pressure or temperature and there are in all some 14 basic cards.

Cell covers big weight spread

LOAD CELLS that combine low weight with a measurement span from 100 kg to 1,000 kg. Type 1697, are on offer by Strainstall, of Denmark Road, Cowes, Isle of Wight.

Incorporating eight high quality strain gauges in a fully active bridge layout, each cell is connected by an integral four-core fully-screened cable, three metres long. The unit is sealed and can operate in ambient temperatures ranging from minus 10 degrees C to plus 70 degrees C. This ensures good overall performance in difficult situations.

Output is 1.5 mV/V of nominal full-rated output. Maximum load is 1.5 times that of the nominal full load. Supply voltage is a maximum of 20V, either ac or dc and bridge resistance is 700 ohms.

Strainstall on Cowes (098) 382 5111.

Better for bearings

ALTHOUGH SIMILAR to Nylon 66 in toughness and strength, a moulding powder called Nylatron NSB-90 has superior wear performance and ability to accept generally higher bearing loads, claims Polypenco, PO Box 58, Welwyn Garden City, Herts (07073-21221).

It outwears PTFE (polytetrafluoroethylene) loaded acetals by

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over 2:1 and, states the company, its PV (bearing rating), unlubricated, of 13,000 compares with Nylon 66 at 2,700 and glass-filled PTFE at about 2,000.

Latch for solenoid valves

HYMATIC Industrial Controls of Orchard Street, Redditch, Worcs (0527 67841) is now able to offer a magnetic latch option on its range of Skinner solenoid operated valves up to an inch in diameter.

The latch can operate on a momentary pulse from an AC or DC supply or "even from a small hearing aid battery" and uses a dual magnet arrangement with cancelling fields.

Once open or closed no current is consumed by the solenoid valve so that it can be used in systems where sensors such as thermistors or thermocouples are employed, or where the fluid being controlled is temperature sensitive, as in the brewing industry.

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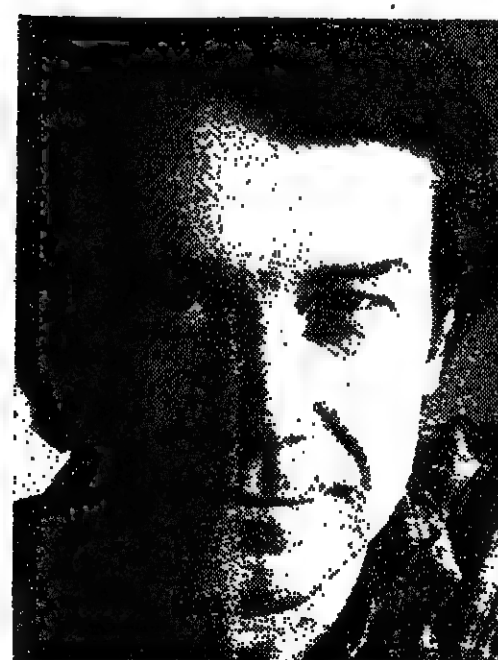
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THE JOBS COLUMN, APPOINTMENTS

Latest indicators of management salaries

BY MICHAEL DIXON

TO THE RIGHT lie the latest indicators of managerial-type salaries as compiled from the Reward survey (1 Mill Street, Stone, Staffordshire ST15 8BA—telephone 078 583 4554).

The figures are based on 2,400 people, with rare exceptions aged 33-37, who registered as job-candidates during September-January with the State-sponsored Professional and Executive Recruitment agency. Brackets denote corresponding figures for September 1977 to January 1978, and the word "executives" in the table means "officers and managers."

The first six columns of figures cover all candidates in the particular category whether "professionally" certified or not. The last six refer only to those deemed to be qualified. If each category's candidates were ranked by salary, the lower quartile would be the pay of the person a quarter way up from the bottom; the median that of the one in the middle; and the upper quartile that of the person a quarter way down.

Before drawing comparisons, readers are recommended by Reward to make certain adjustments. Those working for international and big national concerns should add 12.5 per cent to the table's figures; those in regional companies with 200-1,000 employees should add 9.5 per cent; and others should add 4 per cent.

	All in sample			Professionally qualified only		
	Lower quartile (1977-78)	Median (1977-78)	Upper quartile (1977-78)	Lower quartile (1977-78)	Median (1977-78)	Upper quartile (1977-78)
Age group 33-37						
General managers	4,000 (5,200)	8,000 (4,575)	10,000 (5,137)	7,000 (5,937)	8,475 (7,750)	10,000 (9,825)
Admin. managers	5,075 (3,950)	4,150 (4,900)	7,750 (5,400)	5,000 —	6,900 —	7,750 —
Company secretaries	5,500 (4,750)	7,500 (5,500)	8,200 (4,800)	6,500 (4,872)	7,500 (5,500)	8,250 (4,487)
Accountants	4,750 (4,000)	5,925 (5,000)	7,625 (4,500)	5,425 (4,725)	6,500 (4,000)	8,250 (7,062)
Cost accountants	4,450 (4,025)	5,500 (5,000)	6,500 (5,850)	5,312 (4,400)	6,150 (5,425)	7,650 (6,075)
Management services and computer managers	4,400 (5,200)	6,875 (6,000)	8,800 (7,700)	— (7,225)	— (7,800)	— (7,950)
Systems analysts	4,712 (4,500)	4,825 (5,000)	7,225 (4,600)	— (5,000)	— (5,600)	— (6,500)
Computer programmers	3,212 (3,925)	4,225 (3,925)	5,750 (4,200)	—	—	—
O & M/work study officers	4,525 (4,000)	5,200 (4,450)	5,625 (5,225)	5,312 (4,050)	6,000 (4,500)	6,925 (5,600)
Personnel executives	4,500 (4,342)	5,400 (5,000)	6,312 (5,700)	4,225 (5,150)	6,450 (5,700)	8,025 (7,125)
Training executives	4,500 (3,600)	5,200 (4,000)	5,712 (4,700)	4,500 —	5,100 —	5,725 —
P.R. executives	4,500 (3,350)	5,050 (4,500)	5,950 (5,187)	—	—	—
Marketing managers	5,800 (5,000)	7,000 (6,000)	8,400 (7,000)	4,500 (5,187)	6,275 (4,500)	9,475 (7,312)
Sales managers	5,000 (4,625)	6,000 (5,500)	7,500 (6,475)	5,962 —	6,925 —	7,600 —
Sales office managers	4,137 (3,312)	4,850 (4,000)	5,625 (4,500)	4,400 —	5,000 —	6,100 —
Sales representatives	3,750 (3,100)	4,500 (3,850)	5,700 (4,825)	3,937 —	5,000 —	5,875 —
Technical sales representatives	4,000 (3,600)	4,800 (4,200)	5,500 (5,000)	—	—	—
Retail management	4,500 (3,537)	5,000 (4,250)	5,750 (5,000)	—	—	—
Production managers—engineering	4,887 (4,412)	5,500 (5,000)	6,350 (5,537)	5,000 (5,112)	6,000 (5,450)	6,887 (5,987)
Production managers—non-engineering	4,900 (4,200)	5,500 (4,850)	6,500 (5,800)	5,150 (4,725)	6,000 (5,250)	7,000 (6,100)
Production engineers	4,537 (3,850)	5,100 (4,250)	5,787 (5,200)	4,612 (3,900)	5,425 (4,400)	6,500 (5,275)
Mechanical engineers	4,800 (4,225)	5,400 (4,500)	6,000 (5,200)	4,600 (4,400)	5,400 (4,800)	6,475 (5,200)
Electrical engineers	5,000 (4,437)	5,375 (4,775)	7,000 (5,750)	5,262 (4,500)	6,375 (4,925)	7,837 (5,837)
Quality control engineers	4,250 (4,000)	5,000 (4,500)	5,600 (5,000)	4,075 (4,437)	5,000 (5,175)	5,625 (6,100)
Draughtspersons	4,200 (3,500)	4,600 (4,025)	5,487 (4,300)	4,500 (3,600)	4,650 (4,150)	5,450 (4,500)
Civil engineers	4,850 (4,000)	5,900 (4,925)	6,400 (5,500)	5,337 (4,925)	6,100 (5,250)	7,000 (5,962)
Technicians in engineering	4,000 (3,687)	4,850 (4,250)	5,400 (4,950)	4,500 (3,975)	5,000 (4,500)	5,400 (4,912)
Quantity surveyors	5,000 (4,575)	5,925 (5,000)	6,375 (5,600)	5,450 (4,550)	5,875 (5,000)	6,325 (6,100)
Chemists	4,425 (3,950)	4,800 (4,500)	5,675 (5,000)	4,712 (4,175)	5,425 (5,000)	6,125 (6,000)
Metallurgists	4,500 (4,475)	5,200 (5,050)	5,600 (5,500)	— (4,750)	— (5,400)	— (5,575)
Physicists	5,800 (5,000)	6,000 (5,000)	6,700 (5,700)	5,800 —	6,000 —	6,700 —
Distribution executives	4,362 (4,000)	5,000 (4,400)	6,037 (5,350)	4,850 —	6,050 —	7,250 —
Purchasing executives	4,275 (3,612)	5,000 (4,000)	5,900 (4,875)	4,562 (3,737)	5,500 (4,925)	6,475 (4,800)

*Age group 33-36

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For full details and application form please apply, quoting reference stating post concerned, and giving details of age, qualifications and experience to:-



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(Designate)

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Louis C. Edwards & Sons (Manchester) Limited, a quoted meat processor and canned food manufacturer.
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A small number of high calibre managers are now required for general management opportunities and for senior finance, marketing or production positions either in subsidiary companies or within the central management team in North London. They will be appointed Directors of one or more of the subsidiaries and will work closely with a small committed team of executives with outstanding track records in the food industry.

Candidates, preferably in their thirties, must have first class food industry experience in either distribution or manufacturing and will preferably have retail, brand marketing or accountancy backgrounds.
Salary up to £15,000 or more for exceptional candidates plus the opportunity to build capital by means of attractive share purchase arrangements. Car and usual benefits.
Please send brief details—in confidence—or write for application form to David Bennell ref. B.43581.

These appointments are open to men and women.

MSL United Kingdom Australia Belgium Canada
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Management Selection Limited
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17 Stratton Street London W1X 6DB

Managing Director

Our clients, a British public group with substantial metal processing and manufacturing activities, have formed from their present operations a new subsidiary with sales of £12m. and 400 employees.

The new company's strengths lie in specialised product lines, well established customer relations and modern equipment: the MD's task is to build on these and to focus sharply on areas for improvement—productivity, works organisation, wider markets.

Candidates, probably graduates or qualified professionals between 40 and 50, should be successful general managers or general works managers from the metals or engineering industries.

Salary around £15,000 with bonus potential; company car and other benefits. Location Yorkshire.

Please send career details—in confidence—to D. A. Ravenscroft ref. B.25471.

This appointment is open to men and women.

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Financial Controller

This privately-owned London company designs, makes and sells fashionwear. They supply all the better multiples and department stores and in their first year have achieved £2m. plus sales with tidy profits—a solid base for growth.

Their standards are demanding: control has been and will remain a keyword. Now they need a professional who can tighten accounting routines but also inject planning and direction for the future. A practitioner as well as a strategist who will work closely with the Chairman and enjoy early Board prospects.

Qualified accountants around age 40, candidates must be successful senior financial managers in manufacturing companies, accustomed to tight cost disciplines and ready for a top financial role.

Salary at least £10,000 plus car, etc.

Please send career details—in confidence—to D. A. Ravenscroft ref. B.25481.

This appointment is open to men and women.

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Group Financial Accountant

London W1—relocating to West of London

CHUBB & SON LIMITED, a major UK quoted company and a leading name in the security industry is the holding company for a number of subsidiaries in the business of manufacturing locks, safes, fire-resisting equipment, fire extinguishers, fire engineering and vehicles, security alarms, automated tellers and cash registers.

There currently exists a position for a Group Financial Accountant to be located in London W1, but relocating to the West of London within the next 18 months.

The scope of the job involves responsibility for preparation of the published accounts, monthly statements to the Board, consolidation of Group corporate plans, treasury activities including money market and foreign exchange dealings, as well as involvement in Group tax matters. Success in this appointment will form an excellent basis for a line management position in one of the Group subsidiary companies.

The successful applicant, reporting to the Group Chief Accountant, and liaising with other senior executives will be an accountant over 25 and a self starter with about 2 years post qualification experience, part of which has preferably been gained in a large/medium size firm of accountants. Experience of consolidations desirable, but ability to prepare financial statements to tight deadlines essential. A high standard of professional competence with a practical application of talent, and a willingness to see tasks through to a speedy conclusion are the top priorities.

A substantial and competitive salary is negotiable and is complemented by an attractive range of large company benefits with excellent working conditions including a separate office within the executive suite. Replies to K. H. Macfarlane, Group Personnel Adviser, Chubb & Son Limited, 14-22 Tottenham Street, London W1P 0AA.

Chubb & Son Ltd
the Chubb Group of Companies

FINANCIAL ASSISTANT CITY

Advertiser is a Principal providing financial facilities mainly to British companies engaged in almost every sector of industry and commerce.

An assistant aged 25/30 is required who could come from Banking, the Stock Exchange, Law, Accountancy or Insurance. A professional qualification, or appropriate degree, plus a positive interest in current economics and financial markets are all essential.

The position will involve close liaison with the Managing Director and Senior Executives. Competence with correspondence and communication is vital. Salary range £7/8,000. Attractive benefits including Car, Mortgage, BUPA and Pension will be available upon completion of probationary period.

A brief resumé of career and other relevant information should be sent to:

Box A6686, Financial Times
10 Cannon Street, EC4P 4BY

INSTITUTIONAL EQUITY SALES

Kemp-Gee & Co. are seeking another experienced young executive to work in one of their established equity teams servicing UK institutions.

Applicants must have had a minimum of three years' experience either as a broker handling institutional accounts or as a fund manager.

We are a research orientated firm, and the ability both to understand and to sell the research department's work to senior fund managers is essential. Remuneration for this important appointment will be fully competitive.

Please reply in confidence to:
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20 Cophthall Avenue, London EC2R 7JS

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Joint Research Centre - Ispra Establishment (Italy)

IS SEEKING ADMINISTRATOR

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He will, as ASSISTANT TO THE HEAD OF THE SECURITY AND FIRE PREVENTION SERVICE, support him in administering and running the Service, and actively participate to the elaboration and application of the security and prevention rules to be observed in a large, partly nuclear, research centre.

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Recruitment criteria, based on the staff regulations and salary scale applicable to temporary agents of the European Communities:

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Replies should be sent to the following address, together with a detailed curriculum vitae and copy of degree or diploma:

JOINT RESEARCH CENTRE, Administration and Personnel Division,
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WITHIN TWO WEEKS OF PUBLICATION.

CANADA

M.B.A.'s/ACCOUNTANTS \$25 / 30,000

Operations and Controls Review

Our client, a fast growing Canadian multi-national leader in a high technology industry, has a turnover in the area of \$1,300m. The company has an unprecedented growth record and plans to double sales in the next 4/5 years.

The Operations and Controls Group is multi-disciplined and conducts projects covering finance, manufacturing, personnel, systems and marketing. The approach is to probe for "Soft Spots", analysing systems, questioning objectives, identifying and recommending operational improvements to enhance profitability and strengthen controls.

Candidates, aged mid/late 20's will be qualified accountants/M.B.A.'s who have analysis or systems development experience in a sophisticated manufacturing environment. They must have a quantitative, analytical orientation towards business problems, be able to communicate at all levels and show the potential for advancement to a managerial role.

The company will meet normal relocation expenses.

For more detailed information and a personal history form, contact Nigel V. Smith, A.C.A. or Peter Dawson quoting reference 2418.

Commercial/Industrial Division
Douglas Lymbias Associates Ltd.
Accountancy & Management Recruitment Consultants,
410, Strand, London WC2R 0NS. Tel: 01-836 9501
121, St. Vincent Street, Glasgow G2 5HW. Tel: 041-226 3101
3, Coates Place, Edinburgh EH3 7AA. Tel: 031-225 7744

U.K. Multi-National Group YOUNG ACCOUNTANT

Location Flexible £7/8,000+ Car

Our client is a widely based British Group with substantial world-wide interests including refining, manufacturing, marketing, retailing, wholesaling, shipping and North Sea Oil.

The Group is establishing a high level financial review function to carry out assignments throughout the U.K. with occasional overseas visits. The department will provide senior management with objective and wide ranging reviews of group systems, methods and procedures. Considerable emphasis is placed on making substantive recommendations.

Candidates, male or female, will be graduates and either A.C.A., A.C.C.A. or A.C.M.A. with up to two years' post qualifying experience and exposure to sophisticated systems. They should have the ability to communicate effectively with staff and management at all levels. There will be a 50/75% travel content. Prospects for advancement in the organisation are excellent.

For further information and a personal history form, please contact Nigel V. Smith, A.C.A. or Ian Tomlinson in London or Barbara Lord, M.Sc. A.L.P.M. in Scotland, quoting reference 2411.

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410, Strand, London WC2R 0NS. Tel: 01-836 9501
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Regional Production Director

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ARC is a member of the Gold Fields Group and its principal business is the supply of materials and services to the construction industry in this country and overseas, mainly in the U.S.A. Group turnover is currently running at approximately £300 million per annum.

This vacancy is for a specialist director who will report to the Chief Executive of ARC's South Eastern Region, have a seat on the Regional board and be responsible for regional engineering, transport and technical services plus the planning and co-ordination of production and processing of dry aggregate and bituminous materials in the London area, Kent, Sussex and Surrey. The handling of imported stone through rail-connected depots is an important part of the region's business.

The man or woman appointed should have at least 5 years' management experience of production of the materials concerned, plus some experience of functional supervision or consultancy at senior levels. A professional engineering qualification would be an additional advantage.

Please apply with full curriculum vitae to:-

M. E. Dalmahoy, Management Development Administrator,
Amey Roadstone Corporation Ltd.,
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ARC **Amey Roadstone**

GROUP CHIEF ACCOUNTANT FRANKFURT

Up to 80,000 DM Negotiable

Our client, a substantial, expanding international property company, wishes to appoint a Group Chief Accountant, who will report to the Financial Director.

The person appointed will be responsible for:

- * the preparation of accounts, including consolidated accounts for all companies
- * the critical appraisal of all financial information prepared in various offices
- * the preparation of quarterly and five year cash forecasts
- * the preparation of budgets
- * the monitoring of tax positions of all companies in conjunction with the company's professional advisers
- * the achievement of maximum utilisation of funds

Candidates must be Chartered Accountants or hold equivalent qualifications, with five years post qualification experience in one of the larger firms of international accountants or with five years commercial or industrial experience with an international company. Candidates must be competent in written and spoken German. Age is not a criteria for selection.

Salary is up to 80,000 DM negotiable and there is a car. Assistance will be given with relocation expenses, if necessary. There are other attractive fringe benefits.

Please send a comprehensive career résumé, including salary history, quoting ref. 966, to:

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Tel: 01-588 6644

Senior Accountancy Opportunities UK and Overseas

Booker Agriculture International either manages or provides technical, consultancy and advisory services for sugar and general agricultural projects in more than 30 countries throughout the world.

As a result of substantial business expansion there are three new unusual and exciting opportunities for senior qualified accountants. Candidates ideally will have had

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Total remuneration and terms of service are very attractive. The two overseas positions also carry clothing, disturbance and education allowances, family passages, paid home leave, medical scheme and free accommodation. Career prospects in Booker Agriculture International are excellent.

Financial Controller - Guatemala City

The successful applicant will take charge of controlling, developing and reporting on all financial aspects of the operation of a coffee estate in Guatemala and a cigar

production company in Honduras. Previous professional working experience in Latin America together with fluency in Spanish would obviously be helpful.

Senior Accountant - Sugar Operations - London based

Responsibilities are for the monitoring of development plans, budgets, cash forecasts and borrowings of a number of major sugar projects throughout the Third World. There will be regular travel to overseas estates.

Previous professional involvement in tropical agriculture, preferably in Africa, although not essential would clearly be an advantage.

Training Accountant - Southern Somalia

Based on a major new £80 million sugar estate and factory development, and reporting directly to the Chief Accountant, the successful applicant will join a team of qualified expatriate accountants and have full responsibility for all

accountancy training, both on and off the job.

Previous professional overseas experience, especially that of training local staff, is highly desirable.

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Please send brief details of qualifications and experience to:
W. J. Romanowski, Manager - Central Personnel Services,
Booker Agriculture International Ltd., Bloomsbury House,
74/77 Great Russell Street, London WC1B 3DF.



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The successful candidate, of either sex, will be of graduate or professional status with substantial commercial or industrial experience. In-depth programming, systems design and analysis experience utilising the most modern computing techniques with a proven implementation track record are essential characteristics of the person profile; but management experience of the very highest calibre is vital.

Please send your curriculum vitae in strict confidence to T.D.A. Lunan at the address below or telephone 01-437 2515 (24 hour live answering service) for a personal history form quoting reference number 286.

Lunan
Management Selection Division

T.D.A. Lunan & Associates Ltd.,
1, Old Burlington Street,
London W1X 1LA.

Jacquard Systems Financial Controller (UK & EUROPE) c. £12,000 + CAR + BONUS

A M Jacquard Systems is a rapidly growing organisation supplying mini-computer based automated office systems to the business world. The equipment which is manufactured in Los Angeles operates data processing, word processing and communications simultaneously with equal facility. The company is responsible for the marketing and support of its product range sold both directly and through distributors throughout Europe, Middle East, Africa and India. To implement their growth, they now require a Financial Controller to be responsible to the Managing Director for the set-up of accounting and administrative procedures throughout the U.K. and Europe. Capability in financial planning, monitoring and control is essential, and candidates should have 2-3 years' experience in industry, following a post-qualification consolidation period. The ideal age range is 28-35, and full professional qualifications are essential. Direct knowledge of mini-computer manufacture or sales

would be ideal, and knowledge of another European language (preferably French or German) would be an advantage. The position is based in High Wycombe and there will be an element of travel involved. Salary and conditions are excellent, as are career prospects in this dynamically expanding company. In the first instance please send your c.v. to, or request an application form from, Ron Burgess quoting reference RB/FT/238.

Jean Dennington Limited

Personnel Consultants,
14 New Burlington Street,
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Tel: 01-734 8134

Managing Director

CNC machine tools £18,000 + bonus + car

BMG

We are looking for a very able person to be the Managing Director of BMG Pierce-All Limited, a company with a strong profit record and a leading manufacturer of punching machines for the sheet metal industry. Candidates should be in their 30s or early 40s and have had direct experience of the manufacture, assembly and development of CNC controlled machine tools. They must demonstrate success in a profit sensitive general management role. The successful candidate will have the ability to develop the company and its products substantially over the next ten years. The company is part of the BMG Group in which the holding company co-ordinates key marketing and financial objectives

and the Managing Director of the machine tool company will report directly to the Group's Chairman. The salary is £18,000 plus a bonus to be determined annually after an introductory period. An appropriate car and good fringe benefits will be provided. Location: Berkshire. PA Personnel Services

Ref: GM51/8798/FT
Initial interviews are conducted by PA Consultants. No details are divulged to clients without prior permission. Please send brief career details or write for an application form, quoting the reference number on both your letter and envelope, and advise us if you have recently made any other applications to PA Personnel Services.

PA Personnel Services

Hyde Park House, 60a Knightsbridge, London SW1X 7LE. Tel: 01-233 6060 Telex: 27674



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This is a European and international job involving travel and so fluency in a Continental foreign language is strongly desired. Alternatively the successful applicant could be a legally qualified Continental European with fluency in English.

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Write or telephone, in confidence:
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Candidates should possess a critical faculty, a strong personality and probably be in the mid 20's. They should have had exposure to advanced accounting and reporting systems, and could be in either practice or industry. Opportunities for advancement within the group are excellent.

For further information and an application form contact Nigel V. Smith, A.C.A. or Peter Dawson quoting reference 2417.

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Financial Controller

Boddingtons' Breweries Limited at Manchester

This public company has achieved an outstanding growth record in sales and profits and is currently undertaking a sizeable capital development programme to provide further production capacities. It now needs a Financial Controller who will report to the Chairman and manage the central accounts department. He or she, will be particularly concerned in the development of new management accounting and financial control data for the Board.

Starting salary will be negotiated at not less than £8,000 p.a., with company car, pension scheme and other benefits.

Candidates, ideally not less than 30, must be

Chartered Accountants who already have accounting management experience in a manufacturing company, preferably concerned with fast moving consumer goods. They must be familiar with EDP, conversant with modern costing and financial control disciplines and prepared to undertake certain basic development tasks at the outset. Given success, the selected applicant can expect a progressively rewarding career.

Please write in confidence with relevant career details and home telephone number to H.C. Holmes, at Bull, Holmes (Management) Limited, 45 Albemarle Street, London W1X 3FE.

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G. Sable, Ref: 29212/FT.

Male or female candidates should telephone in confidence for a Personal History Form to: MANCHESTER: 061-236 8981, Sun Life House, 3 Charlotte Street, M1 4HB.

Hoggett Bowers

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Applicants should be capable of creative thought and willing to keep abreast of new developments in their field of work.

Some assistance with relocation expenses given in appropriate cases.

Please write in confidence, giving age, career to date and present salary quoting ref FT/38 to :-

Duncan Ross,
Recruitment & Development Officer,
The Electricity Council,
30 Millbank, London SW1P 4RD.

ELECTRICITY COUNCIL

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AUSTRALIA LIMITED

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Please apply in writing enclosing a curriculum vitae to:

The Managing Director,
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23 Great Winchester Street,
London EC2P 2AX

Selected applicants will be invited to an interview by the Managing Director in London during the week commencing 2nd April 1979.

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For a fuller job description write to John Courtis & Partners, Selection Consultants, 78 Wigmore Street, London, W1H 9DQ, demonstrating briefly but explicitly your relevance and quoting reference 7033/FT. This is an equal opportunity appointment.

JC&P

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Replies, with curriculum vitae, to:

Maidment Posner Consultants,
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Reference CS7

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- Holiday visits for children

Applications are invited for appointment as Senior Securities Officer (Unit Trust) in the Government Securities Office, Hong Kong. The successful candidate will be responsible for the application and enforcement of the Hong Kong Code on Unit Trust and Mutual Funds, and processing applications for subscription of unit trusts and mutual funds. Applicants should preferably be over 25 years of age and must have (a) an honours degree preferably in Economics, Commerce, Business Administration or Law from a British University, or equivalent, plus at least 5 years' post-qualification experience in a bank or a similar financial institution, including at least 2 years' senior executive or managerial experience in the unit trust or mutual fund field; OR (b) Corporate membership of (1) Institute of Chartered Accountants in England and Wales or Scotland or Ireland, (2) Institute of Municipal Treasurers and Accountants, or (3)

Association of Certified Accountants, plus at least 5 years' post-qualification experience in a bank or a similar financial institution, including some senior executive or managerial experience in the unit trust or mutual fund field. Candidates who do not have the full qualifications stipulated above but have considerable relevant experience may also be considered. The appointment will be for an initial period of 3 years. The salary scale is from HK\$9,530 to HK\$10,100 per month (approximately £11,790 to £12,760 p.a.). For further information and application form, write to the Hong Kong Government Office, 6 Grafton Street, London W1X 3LB, quoting reference GS/SC(UT) at the top of your letter. Closing date for applications: 30th March 1979. (Based on exchange rate HK\$50 = £1.00. This rate is subject to fluctuation.)

Hong Kong Government

RECRUITMENT CONSULTANT BANKING

Age 20-40

£ 5-figures

Banking Personnel, established in 1977, has proved highly successful in its role of providing all levels of staff to the Banking profession and has become an acknowledged leader in this field. Our policy is one of personal and professional service to both Clients and Candidates, and in order to maintain our high standards of Consultancy work over a continually increasing sphere of operation, we seek to augment our close-knit and effective team of Consultants by the addition of a self-motivated and ambitious person. Whilst previous experience of Banking recruitment would be an obvious asset, we would like to hear from anyone with a background of either Banking/Finance, or Agency work, who would be interested in a long-term career with a Company which offers not only an outlet for self-expression but a secure future. As considerable Client contact is involved, the successful applicant must be articulate and well-presented, although the essential attributes are a genuine affinity towards people, and an interest in their future.

A high basic salary will be offered, together with a generous results-related earnings scheme giving every incentive for success. Additionally, the company provides long-term service agreements and an excellent pension scheme.

Please telephone, in strict confidence, Rod Jordan, A.I.B. (General Manager)

BANKING PERSONNEL

41/42 London Wall - London EC2 - Telephone: 01-588 0781 (RECRUITMENT CONSULTANTS)

Judy Farquharson Limited

17 Stratton Street, London, W1X 5FD.
01-493 8824

Channel Islands

Unusual opportunity in firm of Investment Managers moving to Jersey. Ideal position for an investment or dealing assistant wanting to progress to managerial level. Age 22-27. Salary negotiable.

Business Analyst

For new business appraisal, strategic planning and analysis of existing business of well-known City-based company. Must be numerate graduate with relevant work experience. Age c. 25 years. Salary c. £5,500.

CHIEF ACCOUNTANT c.£9,000

Exciting challenge offered by this prestigious shipping company for first-class qualified accountant with expertise and initiative to control all financial/management accounts. Excellent opportunities to progress even further within the main group.

Please contact: Betty Lees
KEYRIGHT PERSONNEL
30, Queen Street, EC4

Managing Director

Hertfordshire

c. £11,000 plus car

Our Client requires a Managing Director (designate) for one of its subsidiary companies. The subsidiary employs about fifty and is engaged in the manufacture of tools and dies for the rubber and plastics industries.

The successful applicant will be appointed to the Board on joining and is required to succeed to the top position in the subsidiary at an early date. He will enjoy a considerable degree of autonomy as the group has a policy of delegating responsibility to its subsidiary chief executives and their boards. As soon as an outstanding competence has been demonstrated additional opportunities within the organisation will be available to the successful candidate.

Applicants are likely to be between 40 and 50 years of age and must have a strong mechanical

engineering background with experience in the rubber or plastics industry. A proven ability in general management, particularly in the motivation of subordinates is more important than formal qualifications.

A salary will be negotiated around £11,000 p.a. and a car will be provided. There are excellent pension arrangements with life assurance cover and a medical insurance scheme. Realistic relocation expenses will be paid in appropriate cases.

Please write stating age, current salary and how you meet our Client's requirements, quoting reference number MD/3999/FT on both envelope and letter. Men and women are invited to apply. No information will be disclosed to our Client without your permission.

Urwick, Orr & Partners Limited

Management and Selection Consultants

Baylis House
Stoke Poges Lane
Slough SL1 3PF

THE POLYTECHNIC HUDDERSFIELD

Department of Computer Studies and Mathematics

PRINCIPAL LECTURER—COMPUTING/INFORMATION SYSTEMS Ref: ACA/307

The principal degree and diploma courses within the Department involve major studies of applications of computers in business, industry and public authorities. The successful applicant should have appropriate academic and practical experience to promote and lead specialised studies relevant to these courses. A good Honours Degree and/or MBACS is essential. Staff are expected to undertake activities including research, in addition to teaching studies.

Salary: £7,047-£7,818 (Bar) £8,844 (Senior Lecturer). Details and application forms, which should be returned by March 22, 1979, from the Personnel Office, The Polytechnic, Queensgate, Huddersfield, HD1 3DH. Telephone 0484 22288, Ext. 2225.

BUTLER TILL LIMITED

Sterling Money Brokers

Trainee Dealer

Age 20-22

We require a keen and personable individual to train as a Local Authority Broker. A knowledge of the workings of the money markets or parallel markets would be an advantage.

All applicants should write in confidence to the Managing Director giving full details of background and career to date.

The Managing Director, c/o Miss Jane Bacon,
Butler Till Ltd., Adelaide House, London Bridge,
London, EC4. 01-623 5222.

Degree + ACA? Under 26?

A career in Oil
London, to £8,000

One of the largest UK oil companies requires 2 chartered accountants to be groomed for a responsible management career. The initial appointments, at their head office in London, will involve project accounting and internal consultancy, providing technical and commercial support to their

operations in the UK and overseas. Up to 20% travel can be expected and a foreign language would be useful. Excellent conditions of employment include a salary review within 6 months, non-contributory pension scheme, interest-free season ticket loans, and heavily subsidised luncheons.

Mrs. I.M. Brown, Ref: 19147/FT

Male or female candidates should telephone in confidence for a Personal History Form to:
LONDON: 01-734 6852, Sutherland House, 5/6 Argyll Street, W1E 6EZ.

Hoggett Bowers

Executive Selection Consultants

BIRMINGHAM, CARDIFF, GLASGOW, LEEDS, LONDON, MANCHESTER, NEWCASTLE AND SHEFFIELD.

PURCHASING DIRECTOR

circa £12,000
plus car

A leader in the automation business is looking for a dynamic, innovative person to plan and organise a Purchasing Department of 40-50 people.

The ideal candidate will have spent 10 years in the purchasing function in the light engineering or electronics manufacturing industry.

The company offers an excellent benefit package and generous assistance with relocation expenses to central Scotland.

Please send your curriculum vitae including your current compensation package and names of referees, in confidence, to:

W. M. Young, M.A.
Management Consultant
44, De Parys Avenue
Bedford, Beds. MK40 2TP

who has been retained by this major multinational company to identify candidates to fill this senior position.

INTERNATIONAL AUDIT ASSISTANT MANAGER

Hertz the No. 1 Car Rental Company are looking for an Assistant Audit Manager for their European operations. The position is based in West London but extensive European travel is involved.

In addition to the normal audit supervisory skills and the ability to write clear and concise reports, the job specifically requires a knowledge of auditing in an EDP environment.

The job will appeal to a qualified accountant already in a supervisory position in the profession who is looking for a move into commerce as the next step in his/her career progression. Preference will be given to applicants with a knowledge of one or more European languages. It is an excellent opportunity to gain first hand knowledge of American business techniques with a company renowned for quickly realising and rewarding individual potential.

Salary and benefits are in line with those offered by a major international company.

Please apply with detailed CV to:

Ms. W. Skinner,
Manager Recruitment and Benefits,
Hertz Europe Limited,
Isleworth House, Great West Road,
Isleworth, Middx. TW7 5JF
Tel: 01-568 4422.



THE No1 COMPANY

Management Consulting

The continued expansion of our international business has created opportunities for professionals in the field of

Financial Management

Candidates must have had comprehensive experience of the controllership function at senior management level and demonstrable success in the design, installation and operating of budgeting systems in a large corporate environment, preferably in the oil industry.

Aged 33-45, candidates will have an above average degree with the appropriate professional or business administration qualification. They must be ready to accept important responsibilities sometimes in difficult working environments. Ability to speak French will be an advantage.

Attractive compensation is offered and the benefits are those associated with one of the world's largest management consultants. As such, career prospects are excellent.

Please send your personal details to Paul Bourne, Booz, Allen & Hamilton International, New Bond Street House, 1-5 New Bond Street, London W1Y 0DB.

Booz Allen
& Hamilton
Management Consultants

A WELL-ESTABLISHED, GROWING ORGANISATION SEEKS A MANAGING DIRECTOR

who will report directly to the Group President and have responsibility for all operating decisions and growth.

As the successful candidate, you are self-reliant, highly communicative, possessing the courage of your convictions and an easy, persuasive manner. Your résumé clearly details an impressive record of your achievements.

As the prime decision maker in the U.K. and this Continent, you will assume immediate control of a successful operation and will lead it to greater growth through your strengths in profit and problem analysis, marketing expertise, management development, and business expansion.

If you have had substantial senior management experience within a profit-minded organisation, are strongly marketing orientated, have broad multi-industry experience, including a service industry, and respond enthusiastically to autonomy and challenge, forward your résumé in confidence to us as soon as possible to:

Box A.6690, Financial Times, 10, Cannon Street, EC4P 4BY.

Salary will be negotiated on previous experience and your specific performance record. Future promotions to levels of international responsibility will be based on your results.

A major International Bank expanding its overseas operations invites applications for the following two positions:

Chief Dealer—Singapore Senior Dealer—Bahrain

The successful applicants are likely to be aged between 28/33 and in addition to a wide experience in FX and Euro Currency trading have the personal qualities that these posts, which carry considerable responsibility, demand.

The salary and benefits are those normally associated with a large international organisation. Interested applicants should write to:

Streets Advertising Limited,
11 New Fetter Lane, London, EC4.

giving full details of personal background and professional experience and indicating the names of any companies to which you do not wish your application to be forwarded.

BANKING OPPORTUNITY IN MIDDLE EAST

JEDDAH AGED 25-40

Banking Executive aged 25-40 with all round international experience required for Business Development in Saudi Arabia and other Middle East countries.

Candidates should have had experience of all aspects of international banking transactions, including loan negotiations and documentation, and possess the ability to communicate successfully at all levels on a wide range of business and financial matters.

The appointment, which is based in Jeddah, offers an attractive opportunity for a resourceful banker to become part of a Saudi organisation with outstanding growth potential. This organisation works in close collaboration with an international bank in which it is a shareholder. Salary, allowances and other benefits will be negotiable; free accommodation will be provided.

All applications will be treated in strictest confidence and should be addressed to Box A.6688, Financial Times, 10, Cannon Street, EC4P 4BY.

DEALER

required to manage a well based and expanding Money Book for London Stockbrokers. Experience essential. Salary negotiable. replies M. S. EVANS, Laid and Critchankam Stock Exchange London EC2

ARE YOU LOOKING FOR

A new position in London or Southern England?

SEE PROFESSIONAL STAFF

who have many openings in commerce, industry and the professions for qualified part-qualified and experienced accountants.

Telephone NOW 0273 202277
24-hour answering service.

THE LONDON OFFICE of a leading

INTERNATIONAL TRADING HOUSE

is seeking a young aggressive person, fluent in German, as direct assistant to the Manager of the Non-Ferrous Physical Trading Department.

Previous knowledge of Non-Ferrous trading and Foreign Exchange markets would be an advantage.

Salary negotiable, depending on age and experience, plus usual fringe benefits. Our own staff have been advised of this advertisement.

Please reply, in confidence, enclosing C.V. etc., to Box A.6686, Financial Times, 10, Cannon Street, EC4P 4BY.

callaby SAUDI ARABIA

to £12,500 (net)

SENIOR AUDITORS

Rapidly expanding trading group situated in the Gulf requires auditors who should ideally be qualified accountants. A knowledge of Arabic would be useful though this is not a pre-requisite. This is a married status position offering excellent career prospects.

GEORGE CALLABY ASSOCIATES INTERNATIONAL SELECTION CONSULTANTS 10, Cannon Street, London EC4P 4BY. Tel: 01-493 5572.

ART GALLERIES

AGNEW GALLERY, 43, Old Bond St. W.1. Tel: 01-493 5176. Loan Exhibition of 19th Century British Paintings (1815-1880) in aid of the Royal Foundation for the Blind, 10, St. James's Place, London W.1. Mon-Fri. 10.30-5.30. Thurs. 10.30-6.00. Catalogue £1.00.

BROWN & DUNN, 12, Port St. W.1. Tel: 01-493 5176. FINE BRITISH & FRENCH PAINTINGS. 18th-19th C. Oil paintings and watercolours. Also late Japanese prints. 10, St. James's Place, London W.1. Mon-Fri. 10.30-5.30. Thurs. 10.30-6.00. Catalogue £1.00.

ELIOTT GALLERY, 55, St. James's St. W.1. Tel: 01-493 5176. FINE BRITISH & FRENCH PAINTINGS. 18th-19th C. Oil paintings and watercolours. Also late Japanese prints. 10, St. James's Place, London W.1. Mon-Fri. 10.30-5.30. Thurs. 10.30-6.00. Catalogue £1.00.

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RESEARCH ASSISTANT

Graduate required offering fluent French and German for demanding role in international news unit. The successful applicant will have a lively interest in the international economic and political scene. Duties will include assisting with news monitoring; producing accurate precise translations from French and German; carrying out research projects as required; and some administrative work to ensure the smooth running of the services.

Hours—Monday to Friday 10 a.m. to 6 p.m. Salary c.£4,000. Please apply to Personnel Department, The Financial Times Limited, Bracken House, 10, Cannon Street, EC4P 4BY.

CLIENT LEDGERS CLERKS

Owing to expansion a leading company of stockbrokers requires experienced client ledger clerks, aged 25+. Salary to £4,000 p.a. plus guaranteed bonus. Excellent working conditions. Please contact: Mrs. C. Dudley or Miss G. Goode. 01-493 0885.

EVANS EMPLOYMENT AGENCY 16 Cornhill Avenue, London EC2

£6,000 accountancy appointments £9,000

These appointments appeared in the Financial Times on 6th March. For full details see the F.T. of that date or alternatively telephone 01-248 8000 ext. 526.

JOB TITLE	SALARY	LOCATION	CLIENT
Potential Comptroller	£9,000	S.W. London	Phillips & Carpenter
Chartered Accountant	£7,500	C. London	Robert Half
Corporate Auditor	+ Car		
Financial Accountant	£7,500	C. London	Robert Half
Management Accountant	+ Car	Reigate	Redland Bricks
Management Accountant	£8,000	Liverpool	Liverpool Daily Post
	+ Car		and Echo
Qualified Accountant	£8,000	West End	MCS/Robertson Scott
	+ Car		
Assistant Financial	£11,000	Saudi Arabia	WMSP Tech. Services
Controller	tax free		Ltd.
Group Financial	£7,000	Chatham,	Ward Holdings Ltd.
Controller	+ Car	Kent	
Young Accountant	£7,500	S.W.1	Personnel Resources
Financial Controller	—	City	Trollope & Coles Hlgs.
Young Qualified	—		
Accountant	£7,500	Knightbridge	Albright & Wilson Ltd.
Management Accountant	£7,000	Peck	Mervyn Hughes Group
Group Accountant	£7,000	N.1	
Financial Accountant	£8,000	City	Personnel Resources
Chartered Accountant	—	Scotland	Turner, Hutton & Lawson
Newly Qualified C/A	—	Baker Street	FT Box No. A6663
Accountant	Neg. to	London	Personnel Resources
	£8,500		
Company Accountant	£7,000		Churchill Personnel Cons
Travelling Auditor	£8,000	UK/Europe	Churchill Personnel Cons
Chartered Accountant	—	E.C.2	Pannell Fitzpatrick & Co.

COMPANY NOTICES

Ford

NEAREST DEPOSITARY RECEIPTS

Following the DIVIDEND DECLARATION by the Company on 11th January, 1979 NOTICE is now given that the following DISTRIBUTION will become payable to Authorised Depositaries on or after 12th March, 1979 against presentation to the Depositary (as below) of Claim Forms (obtainable from the Depositary) listing Bearer Depositary Receipts.

Cross Distribution per Unit 4,500 cents

Less 15% US Withholding Tax 0.875 cents

Converted at \$3.0325 = 3,325 Cents per Unit

£20,058.1919

DEPOSITARY

National Westminster Bank Limited

Stock Office Services

8th Floor, Drayton Gardens

12 Throgmorton Avenue

London EC2P 2ES

6th March, 1979.

UNILEVER N.V.

4% Redeemable Cumulative Preference Shares of £1.12 issued by N.V. Unilever N.V. Administrative Office Rotterdam

The second half yearly dividend for 1978 of 2% (10.24 pence) on the £1.12 shares will be paid on 15th March 1979 to the registered holders of the shares at that date.

The dividend will be paid in cash to the registered holders of the shares at that date.

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PUBLIC NOTICES

NOTICE TO CREDITORS

NOTICE is hereby given that the Board of Directors of the above-named company has resolved that the winding-up of the company be commenced and that the liquidator be appointed.

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NOTICE

THE ARTS

Book Review

Father figure by B. A. YOUNG

The Life and Art of Henry Beerbohm Tree. The Great Actor by Madeleine Bingham. Penguin. £7.95, 293 pages.

People are inclined now to write off Herbert Beerbohm Tree as the kind of man who furnished his *Midsummer Night's Dream* with live rabbits. But, as Madeleine Bingham adequately demonstrates, there was nothing trivial about him. He was an intelligent, inventive actor-manager who interpreted his own time as well as John Osborne interpreted his. The times happen to have been very different. Tree was an Edwardian to his finger-tips.

The Beerbohm family was from Lithuania, good class Germans, despite the evidence of the map. Tree's father came to England via Paris and went into the City; he had four children by his English wife, and when she died he married her sister and had five more. Max, Herbert's half-brother, was 20 years his junior. He was born at Herbert's wedding at the age of ten.

Herbert began as an amateur during the eight years he spent in his father's business as a corn-chandler, but he was well enough esteemed to charge for his spare-time occupation. As a professional he seems to have progressed at a great rate, training himself on such books as *Various Expressions of the Emotions*. He began in 1878, and by 1881 was already earning the immense fee of 14 guineas a week.

He had not the looks for a matinee idol, with his carrot hair and pale eyes, but he became a matchless character actor in such parts as Svengali, Malvolio, Higgins. (He really wanted to play Doolittle.) Typically, he was Caliban, not Prospero, in his *Tempest*. Great lover, on the stage, he was not. He bought an American play of that name on his way to Hollywood in 1915, where at the age of 63 he was to play *Macbeth*, with Constance Collier; but though he studied it assiduously he died, of a blood clot after an operation, before he put it on.

In life he might have claimed the title. He married Maud Holt, who in due course acted under the name Lady Tree, and by her had three daughters, Viola, Felicity and Iris. By the reticent May Finney, who inexplicably changed her name to Reed, he had six children, including the film-director Carol Reed and the father of the actor Oliver Reed. He had another son by Muriel Ridley, an actress he met in America.

His double life was managed with exemplary discretion, and it must have been a blow for Lady Tree to learn at his death that half his estate had been left to his "faithful friend of many years." What became of Miss Ridley, we are not told.

Madeleine Bingham, with the advantage of Tree's own copious notes and diaries, has drawn a clear picture of this likeable, intelligent, unpredictable man. His lavish notions, on and off the stage ("life is too short for second-rate hotels"), may seem unsympathetic to our austere generation. But the Press of his time, not to mention Hor Majesty's Theatre and RADA (which he founded in 1904), provide a lasting memorial to a great man.



Patrick Fitzgerald, Caroline Helder and Natasha Gomperts

Royal Court 'Garage'

Baby Talk by MICHAEL COVENEY

The Young People's Theatre Scheme at the Royal Court operates mainly in a garage round the corner from Sloane Square and is currently presenting a double bill of two 90-minute plays: *Trust You* by Anna Wheatley (aged 19) and *Baby Talk*, devised by Tim Fywell from stories and poems by Patrick Fitzgerald (aged 22).

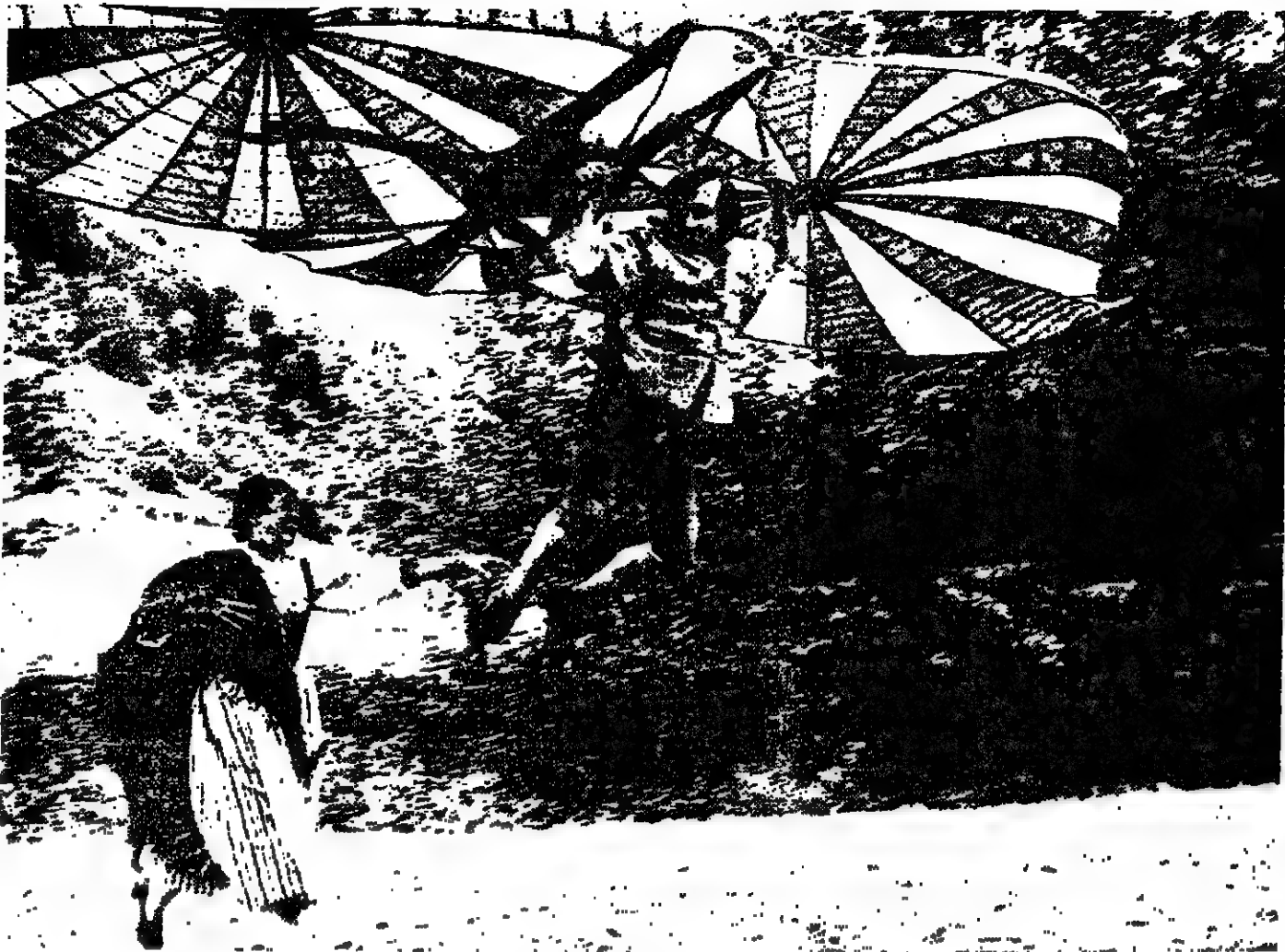
Of the two, *Baby Talk* is better, but neither place measures up to the standards set by the same company's *Blame it on the Boogie* last December in the Theatre Upstairs. I suspect that this sort of work is not really aimed at general audiences at all, despite Mr. Fywell's superficially competent direction, with its traverse polythene cloths, trendy lighting and sure sense of stage space. The acting area is a scaffolded territory of raised platforms. Mr. Fywell knows how to use it; Janet Goddard, director of *Trust You*, does not.

There is in both plays a reasonable quota of glancing operatic such as only bright teenagers can provide, but *Trust You* suffers from sprawl and crawl, while *Baby Talk* jumps a little too easily on the punk bandwagon in its precious incantation of anti-social values. Patrick Fitzgerald appears as a cocksure punk, pouring scorn on his brother's efforts to hold down a boring City job, and is only reconciled with him when he (the brother) jumps out of an office-block window and, in hospital, destroys a bunch of grapes. Mr. Fitzgerald is an embryo Ian Dury without comparable talent as either performer or street poet. His little interrelated stories, though, reveal a nice line in mordant black humour.

The best actor on view is Tayo Akinbode, a camp black boy in *Trust You*, which traces the fall-out in various teenage alliances without ever establishing a convincing background or social milieu.

Berlin Film Festival

Dented reputations by NIGEL ANDREWS



Tilo Prückner as 'The Tailor from Ulm'

"Oh, mein Gott, das ist meine Tochter!" cried George C. Scott, clutching his forehead. At least, that's what he cried according to the German poster for the American movie *Hardcore*, shown in competition at this year's Berlin Film Festival. What Mr. Scott actually says in the film—no problem for German speakers—is: "My God, that's my daughter!" uttered on glimpsing his missing teenage child acting in a San Francisco porno movie.

The German version, however, will do very nicely as a text for this year's Berlin festival report, since it must be close to what Dr. Wolf Donner, festival director since 1977, cried inwardly when he saw his two-year-old protégé being torn in two. After only two days, the festival was hit by an unprecedented situation: walk-out. Having failed to dissuade Dr. Donner from showing the controversial American film about Vietnam, *The Deer Hunter*, almost the entire Communist delegation to the festival departed in high dudgeon, taking their films with them. The departing countries included Russia, East Germany, Hungary, Czechoslovakia, Bulgaria and Cuba; the departing films included four features entered for the main competition; and the departing individuals included two members of the festival jury, Czech director Vera Chytilová and Hungarian director Pál Gábor.

How are the mighty fled! one murmured in astonishment as the Iron Curtain swept shut behind the indignant departees. But although the mass exit made for a sadly depleted festival, those who read my views on *The Deer Hunter* last week—pronouncing it the nearest thing to a masterpiece the American cinema has produced in years—will find few shreds of sympathy here for the motives of the walk-outs.

The Communists evidently found the film's "pro-American" stance too much to take. But after years in which the cinema has kowtowed to a fashionable line in pro-Vietcong sentiments, Cimino has had the courage to make, and Wolf Donner the courage to show, a film which stands four-square and stubbornly against the trend. It's not so much a "pro-American" movie as a humanely neutral and pacifist one. But there is no arguing such fine points of ideological debate with the lunatic fringe of the Left.

The rest of the festival took place, not surprisingly, in an atmosphere of mild shell-shock: a state testified to by the last-day judgments of the festival jury. The seven remaining members of that body gave the Golden Bear to a dim and decent German film called *David*, about the decimation of a Jewish family in World War Two, and the Silver Bear to a scatter-brained Egyptian comedy, also set during World War Two, called *Alexandria-Why?*

The Best Actress prize went to Hanna Schygulla, who deserved it for her sensitive portrayal of the title heroine in Fassbinder's *The Marriage of Maria Braun* (World War Two again), and the Best Actor award to Michele Placido, who did no more than fill out the not-too-demanding contours of a homosexual dockworker in the Italian social drama (not set in World War Two) *Ernesto*.

One would suppose that the one thing likely to unite Communist and free-world festival-goers would be a festival in which World War Two was the main dish on the menu. Donner was unlucky, or carelessly provocative perhaps, in choosing to screen *The Deer Hunter* so early in the proceedings. Elsewhere in the festival, East and West, Left and Right, could have united in a positive feast of Hitler-bashing that began with *Nazis*, Fassbinder's tale of the moral ravages wrought by Nazism on Germany during and after the war, ended with *David*, and took in along the way such exotica as *Geheime Reichssache* (skillfully rehearsed footage of the trial of a group of officers who planned to assassinate Hitler) and a retrospective season of Nazi musicals.

Is it all merely a dubious exercise in nostalgia, alternated with muck-raking, or does the Hitler era have something pertinent to say to the present generation? Certainly Rainer Werner Fassbinder, who, after a period of silence, has stormed back into filmgoers' consciousness in this festival, expresses in his movies the sense that Germany is constantly on the brink of a New Fascist Dawn. *The Marriage of Maria Braun* chronicles the rise of a career woman in post-war Germany, and shows how the bricks of capitalist opportunism may be used to build the foundation for a new era of tyranny and exploitation.

The film is oddly stilted in structure and style for a Fassbinder movie—it's only the second feature that he has not scripted himself (the first was *Despair*)—and the bleached, anaemic colour photography is an acquired taste. (I acquired it, but dozens didn't.) What does impress is the application of Fassbinder's decorative, tableau-vivant direction to a two-hour story that has some of the cliffhanging fascination of a television serial.

Speechmaking the regimen of films that weren't preoccupied with World War Two was another Fassbinder offering, *A Year with Thirteen Moons*. Tortuous in its story and dazzling in its visuals—Fassbinder here hurls bright colours across the screen as if in an action painting—the film is almost too much to take in at a single viewing. It tells the story of a transsexual (Volker Spengler), who, many years after the operation that changed him from a man to a woman, reviews his life in a series of bizarre encounters with old friends and old flames. The film begins almost naturally—Fassbinder, a freshly cut, if somewhat dripping, slice of life—but soon spirals into surrealism and Kafka-like nightmare. Magnificent to look at, puzzling to interpret. Will some enterprising distributor please bring it to London?

Like Fassbinder's transsexual, the hero of Francois Truffaut's *Love on the Run* also wanders about à la recherche du temps perdu. But there the resemblances end. This is the latest, and Truffaut says the last, film about the exploits of his quasi-autobiographical hero Antoine Doinel, played by Jean-Pierre L  aud. Since Doinel-L  aud's baptism in *The 400 Blows* Truffaut's comic-romantic alter ego has got steadily more tiresome, and this valedictory winding-up comes not a movie too soon. L  aud is his usual mannered, brusque and airy self, and the series of forgettable heroines, taken out and warmed over from earlier Truffaut films, include Marie-France Pisier, Claude Jade, and Dani.

The other "name" director to let his admirers down with a bump was Werner Herzog. His new version of *Nosferatu*, the German vampire classic made by F. W. Murnau in 1922, is a gorgeously designed and photographed museum-piece. Many of the film's individual parts improve upon the original: the acting is more polished, the spoken dialogue is less creaky than Murnau's subtitles, and the parts do not begin to add up to a better whole. Indeed, they hardly add up to a whole at all: just a series of swoony dream-images that hover perilously on the brink of TV-commercial pretentiousness. Only Klaus Kinski's vampire, rain-toothed and shaven-skulled, contributes an authentic frisson worthy of the older film.

Some famous film-makers, by contrast, reach a zone of twilight consistency where they can put hardly a foot wrong. When did Federico Fellini last make a bad film? The memory boggles.

His new work is *Prova d'Orchestra*, a 75-minute surrealistic fantasia recounting the adventures of an orchestra rehearsing in a crumbling Italian church. Literally crumbling, since the church collapses around them near the end of the film, a sort of apocalyptic admonition to the orchestra's members who have just staged a fiery rebellion against their conductor. Fellini's little parable about order and anarchy is hugely witty, very astute, and brimful with local humour and character-colour that has made his work the rare Italian vintage it is.

Among other delights, curiosities or just plain aberrations offered by this year's festival you may choose of the following. Paul Schrader's *Hardcore* I have mentioned—more can be said about this adre-pated American morality tale when it opens, as it soon will, in London. So, I hope, will Alain Tanner's cheerful *Nessidor*, a sort of *Women's Lib Bonnie and Clyde* set in modern Switzerland. About Peter Brook's *Meetings With Remarkable Men* I am not so sure. This mystical search for knowledge in wildest and most-wild-eyed Afghanistan is the oddest offering yet received from European Culture's most famous and most itinerant enfant terrible.

Last but not least, Edgar Reitz's *The Tailor from Ulm*. This was the season-stealer in the special programme of New German Films that has graced the Berlin Film Festival since 1977. It is the tale, based on fact, of a poor German tailor who in the last century pioneered his own humble methods of flying—or gliding—with home-made wings.

The film tells the story both of the man and of his society: how the second began by patronising, and ended by ruthlessly exploiting, the special skills of the first. The sense of social tyranny and intervention, though never overweighted, link the film subtly to motifs that were never far from the surface of this year's Berlin Film Festival.

Guildhall

La scala di seta by MAX LOPPERT

Its overture apart, Rossini's *Stolen Ladder* is not very often played, and not very highly rated. Meeting the opera for the first time on Tuesday in the Guildhall School performance, I was enchanted by it. It is early Rossini, his fifth opera and fourth to reach the stage (Venice, 1812). It boasts the special charm peculiar to the early Rossini comedies, the luminous freshness that is the product of excellent schooling (the spy, beautifully "heard" scoring is just one of the evening's pleasures), resource in formal shaping, and lyrical felicity. There are no obvious faux numbers in this one-act farce; that, and the similarities between its plot and that of Cimarosa's *Matrimonio segreto*, may have decided its fate.

In a gently played and sung student performance, wisely directed around character rather than farcical situation by Dennis Maunder, and affectionately conducted by Vilom Tausky, we could appreciate just how substantial is the build of each of the eight numbers. Pre-echoes of *The Barber* are heard in the duet for young mistress Giulia (soprano) and manservant drammaio (baritone); later, Gernano's andante aria fades away in strange, almost Tristanesque apogee as he nods off to sleep; most remarkable of all, the finale (in which Giulia awaits a midnight rendezvous with her "secret" husband, unaware of spies secreted in various vantage-points) infuses the suggestion of nocturnal shadow and romance into the music in the way Rossini was to master many years later in *Comic Opera*.

The vocal lines need voices that move flexibly through run and roulade; it was good to hear that clean and fluent movement in young voices, successful, for the most part, in not fudging or gumming up the notes. The piece also needs a *renard di grazia* with easy Ca. In this, the Guildhall has been less lucky; but in the first of the two casts (to be heard again in tonight's performance, penultimate of the four), there were two good sopranos, Louise Tucker as Giulia and the full-toned Anne-Marie Owens as her cousin Lucilla; and two promising baritones, Michael McLean as Giulia's suitor Blazac, and Paul Leonard, an attractively smooth singer and unexaggerated comedian, as Gernano. The opera is given in Italian, which is a serious mistake, though it allowed us to hear Miss Tucker and Mr. McLean are already quite polished in the tricky business of singing recitative.

The Stolen Ladder is paired in a double bill with *Artis and Galatea*. Rossini and Handel: an evening of musical riches! But also a rather long evening, and not very good at convincing us that *Artis* was meant to be staged at all—Brian Trowell's production, full of ring-a-ring-a-roses routines awkwardly undertaken by the young performers, manages to emphasise rather than disguise the basically undramatic nature of the piece. Mr. Trowell, who has prepared the edition and also conducts the small instrumental ensemble, rightly insists on having it sung by just five singers, who provide the chorus as well as the soloists. Not every one of their number showed himself ready to face the task of doing justice to some of the most glorious arias in existence; but Laurence Dale brought a sturdy, well-placed tenor to *Damon's* music, and Ann Mackay, a Galatea to delight the eye, also (once the timbre had cleared and come forward) delighted the ear, notably in a sensuous account of "As when the dove."

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Wigmore Hall

Maurice Bourgue by NICHOLAS KENYON

Great oboists are rare creatures; Maurice Bourgue is one of those select few outstanding performers on the instrument, famous as both performer and teacher. Students and parents colleagues and admirers filled the Wigmore Hall for his recital on Tuesday with his wife Colette Kling, and he responded with a generous programme including those two unaccompanied showpieces, Britten's *Metamorphoses* and Berio's *Sequenza VII*.

Bourgue doesn't have the perfect poise and balance of Holiger (for whom the Berio was written)—there were several little fluffs and odd noises in Tuesday's first-half—but he does produce a supremely exciting sound which exploits (rather than glosses over) the plangent readiness of his instrument. In a march-like movement by J. C. Bach, or in the racy finale of the Donizetti Sonata which he has arranged from fragments of a concerto and sonata, Bourgue creates a fiery, pungent noise which bubbles over the phrases with sheer exuberance.

Arts news in brief

Paavo Berglund is to relinquish his position as principal conductor of the Bournemouth Symphony Orchestra in August this year. The orchestra will not be severing its link with Mr. Berglund as he will make regular guest appearances with the orchestra in future years.

Firm commitments include a number of concerts in this country during the 1979/80 season, recordings with EMI and a tour abroad in 1981.

Sadler's Wells Royal Ballet will pay tribute to the Russian Impresario Sergei Diaghilev at this year's Edinburgh Festival. Sponsored by Midland Bank, the company will give a week of ballet performances, from August 20 to 25, in the "big top," a tent seating more than 1,000 people, which will be pitched on the meadows, the big public park on the south side of the city.

This year's festival commemorates Diaghilev and, besides paying tribute, the company will give two world premieres. One will be a new ballet by the Dunfermline-born choreographer, Kenneth Macmillan. The other, *The Triumph of Neptune*, is a new version of Diaghilev's only English ballet Diaghilev produced. The company will also celebrate Sir Frederick Ashton's 75th birthday.

Lord Donaldson, Minister for the Arts, has accepted the recommendation of the standing commission on museums and galleries that a pastel by Degas entitled, *Two Dancers in a Field*, should be allocated to the Fitzwilliam Museum, Cambridge.

The pastel was accepted by the Treasury in part satisfaction of capital transfer tax, and paid for from the National Land Fund.

Michael Crawford makes his return to the West End theatre in the musical *Flowers for Algernon* which will open in London on June 18. The music by Charles Strouse and book and lyrics by David Rogers and will be directed by Peter Coe.

The musical is based on the novel by Daniel Keyes which was made into the film *Charly* which starred Cliff Robertson. Now it is a ten-character musical with nine musicians in the orchestra.

Michael York has taken a year's option on the dramatic rights of Burke Wilkinson's biography of Erskine Childers, *The Zeal of the Convert*, published by Colin Smythe at £6.75.

Last June, Michael York finished filming Childers's novel *The Riddle of the Sands*, which is to be released this spring. He became interested in Childers's life while working on the film and read Wilkinson's book. Commenting on it, York said: "I was enormously moved by the story. Burke Wilkinson tells it with great precision and economy. I am convinced that Childers's life, which was extraordinarily rich in both physical and literary activity, can make a thrilling film."

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Thursday March 8 1979

EMS at last in sight

FRANCE'S DECISION to allow the new European Monetary System (EMS) to go ahead, after months of uncertainty, is to be welcomed. The French move, announced yesterday by President Giscard d'Estaing, should if nothing else, ensure a much more auspicious climate for the Paris summit meeting of the European Council next Monday and Tuesday. With doubts persisting over EMS, one of the EEC's most important initiatives for several years, the Community has been unsure where it was heading on a much wider front in recent weeks. The delay had begun to arouse fears in Brussels that EMS might not come about for many more months, if at all. Apart from the inhibiting effect on Community decision-making in other fields, the concern was that the Nine's continuing indecision would provoke a new wave of currency speculation which the Community would be unprepared to withstand.

Compromise

Anxiety that the political momentum behind EMS would be lost must lie behind President Giscard's decision to drop France's reservations. The French have not succeeded in securing all they wanted at technical level—a reform of the complicated system of taxes and subsidies (MCAs) designed to offset the impact of exchange rate fluctuations on EEC farm trade. The compromise reached this week's Agricultural Ministers' meeting in Brussels does not include a firm commitment to run down MCAs, as France wanted, and it still leaves a major question mark over how German farmers will be compensated if the Deutsche Mark is revalued against other EEC currencies in the future. Against this, the French can claim that they have sharply focused attention on the distortions caused by MCAs, which have been too long neglected, and extracted some sort of commitment that something will be done about it.

President Giscard d'Estaing does not appear to be worried that Britain has not yet accepted the compromise worked out in Brussels, on the grounds that the UK will not be joining the EMS as a founder member in any case. On that there is little room for doubt. There has been no sign of a change in the British position since the last EEC summit in December,

at which Mr. Callaghan made it clear that Britain was not ready to join. The UK remains ready to participate in the swap system that will accompany the formal linking of exchange rates—if only to secure a greater say in the working of the system—but sterling will remain outside.

Given Britain's intention to maintain the pound's overall stability, sterling is in practice unlikely to drift too far away from the EMS currencies. But the formal position is highly unlikely to change until after the British general election.

Political capital

If the present Government remains less enthusiastic, it would still almost certainly be wrong to assume, as some have done, that Mr. Silkin was deliberately trying to delay the introduction of EMS by refusing to subscribe to the MCA compromise in Brussels this week. He seems to have been genuinely worried, rightly or wrongly, that the compromise left open the possibility of increases in the common farm prices during the year in which the EMS would be under way in earnest later this month. Mr. Silkin has invested a good deal of political capital in his announced determination to veto the slightest price increase.

But the general principle of a price freeze, at least for surplus products, is by now fairly widely accepted. It would not make sense for Mr. Silkin to carry his aim of total freeze to the lengths of vetoing price increases for non-surplus products where there is a good case for adjusting disparities.

Intervention

If in the coming weeks the Nine can put EMS in place, albeit without the U.K., and reach a sensible agreement on farm prices, the Community will be looking in much better shape than it has for many months. There can be no certainty that EMS will work. The fact that the currencies of prospective members have stuck together since the New Year, with relatively little intervention, may be a good omen. But that is no guarantee that EMS will be able to withstand the shocks of a currency crisis originating outside Europe. The EMS MS participants have not as yet worked out a common policy, for example, on how to handle a dollar crisis. But that does not mean that it is not worth a try.

Bring on the Japanese

THE LATEST report of the consumer electronics working party brings out clearly the nature of the threat to employment levels in the colour TV set industry which is posed by the technological lead and cost advantages of Japanese manufacturers.

The UK industry's ability to meet the challenge is handicapped by structural weaknesses in that production is scattered over too many small, relatively high cost plants, by deficiencies in product and process technology, and by the collapse of home demand since 1974 which has led to low profitability and low investment. Although imports have so far risen to only 20 per cent of the market, the proportion could well soon increase in view of the imminent expiry of the protection afforded by the PAL licence and the efforts being made by other European set makers to improve their own competitiveness.

Involvement

British manufacturers are still competitive with set makers in West Germany: the advantage the Germans gain from longer production runs is offset by higher wage costs. But in the longer run, the working party is in effect saying, there is a very real possibility of the Japanese—and perhaps other countries such as Korea which are now harnessing Japanese technology and production methods—capturing substantial shares of the UK and other West European TV set markets.

The consultants advising the working party have suggested that the right answer would be to seek the active involvement of Japanese manufacturers by encouraging inward investment. The object would be to promote the rationalisation of the UK TV set industry into units of the scale necessary to introduce low-cost automated assembly, to incorporate the latest Japanese product and process technology, and to strengthen the manufacture of electronic components used in TV sets and similar products such as visual display units.

The implicit assumption is that as the Japanese share of the European market increases, they are likely to want to base more of their manufacturing operations within Europe, as they have done in the U.S., and

that the Japanese companies should be encouraged to make Britain their European base.

Key role

The working party accepts the strategic case for increased Japanese involvement but expresses concern about the longer-term risks if product development were largely to be carried out outside the UK. It accordingly proposes that knowledge should also be brought in by other methods, such as technical licences. It also foresees difficulties in achieving a desirable degree of re-grouping in relying solely upon inward Japanese investment. It therefore sees the Government having a key role not least because of its ability to control inward investment and because of the scope for the Government providing financial support for the industry's investment and research and development programmes.

The logic of a pro-Japanese strategy has a great deal to commend it. Indeed it may already be beginning to happen in that four of the five principal Japanese set makers have already decided to set up operations here either as a wholly-owned subsidiary or in association with a British manufacturer.

But, while there are both employment and balance of payments reasons for the Government having an interest in the industry's future, they are also very obvious risks in becoming too involved in detailed decisions about future strategy. Clearly, the Government will have to take a view on certain matters since, as the working party points out, it is already running a wide range of incentives to attract foreign investment and to stimulate investment by UK companies.

Over-optimistic

But Ministers should be wary of becoming too committed to grandiose industry-wide plans which rely on a substantial degree of government subsidy: the dramatic improvement in exports which the working party envisages seems over-optimistic. In the light of past attempts to re-structure uncompetitive industries, direct government involvement should be kept to a minimum.

THE EUROPEAN chemical industry is "now in a state of chaos" about the "astronomical" prices it is having to pay for its raw materials, according to Mr. Len Burchell, managing director of BE Chemicals.

Mr. Burchell made his blunt summing up of the present situation to leading figures from the industry at a meeting of the Council of European Chemical Manufacturers' Federations in Brussels recently. He also referred specifically to naphtha—the most vital of all the petrochemical feedstocks, used in Europe—and few of his listeners can have disagreed with his comments on prices.

Mr. Maurice Hodgson, chairman of Imperial Chemical Industries, speaks of the adverse effect rising raw material costs are having on profitability in the group's annual report which is released today. "We have recently been investing more than most of our competitors but continuance depends on adequate profitability and the price weakness in 1978 was a worrying factor," Mr. Hodgson says. "Despite low growth and overcapacity in the chemical industry, it is vital to pass on higher product prices to the massive increases in naphtha costs together with any further rises in petroleum raw material costs which result from the latest OPEC decisions and the Middle East situation."

The first two months of 1978 have seen a dramatic turn of events on the Rotterdam spot market. Since the beginning of the year spot naphtha prices have risen from about \$180 a tonne (\$285 to \$285 a tonne (£142). Benzene, an aromatic chemical made from naphtha, was selling at about \$410 a tonne on the spot market six weeks ago but the price has now risen to \$560 a tonne. The spot price of styrene which is made from benzene and ethylene—another naphtha derivative—has gone from \$380 to \$580 a tonne during the same period.

The size and suddenness of these price rises have thrown the European chemical industry into turmoil because many major companies are worried about their ability to pass on their increased feedstock costs to their own customers. They are frightened of being undercut by their competitors and of losing their hard-won market shares.

Spot prices are highly sensitive and they can give a misleading picture because the majority of European chemical companies buy most of their naphtha on fixed contracts rather than on the Rotterdam market. But the factors that have led to startling rises in spot market prices have held good for contract prices as well.

Last July naphtha contract prices were in the region of \$140 a tonne. By the beginning of this year they had risen to \$190 and they are now expected to rise to a minimum of \$250 for the second quarter of 1979.

The immediate reason for the massive price increases in nap-

tha and its derivatives during the last few weeks has been the halting of all oil exports from Iran—naphtha comes from oil. But in one sense the political upheaval in Iran has been no more than the straw that broke the camel's back. Naphtha prices began their upward surge last summer and for a variety of reasons.

The European chemical industry is suffering from serious overcapacity and as a result its product prices have been depressed. Repeated attempts to jack up prices—particularly in the field of plastics materials—were made last year and in 1977 but these either proved only partially successful or failed altogether.

Yet in the latter part of 1978 naphtha supplies began to



MR. LEN BURCHELL
... astronomical prices

tighten while demand started to increase. One reason for this was the environmental legislation introduced by the U.S. which banned the use of lead in petrol. The only way of maintaining the octane level of lead-free petrol is to add benzene—a naphtha derivative—instead. Therefore, last year U.S. demand for naphtha increased.

At the same time the chemical industry started to feel the effects of the restrictions Saudi Arabia had placed on its production of light crudes. Naphtha is produced in the greatest quantities from light, rather than heavy, crude oil.

In addition, world demand for products made from the heavier end of the oil barrel had been falling off for some time. The result was that oil companies were forced to gear their refinery throughputs to heavy gas oil. Therefore, they were processing smaller quantities of the lighter products such as naphtha. The impact of this also started filtering through to the European chemical companies towards the end of 1978.

The net effect of all these

differing trends was that naphtha prices rose by approximately 30 per cent during 1978 and it was clear that they would increase further during 1979. This was because the Organisation of Petroleum Exporting Countries announced a 14.5 per cent rise in oil prices which meant that oil fractions such as naphtha would also be going up in price.

By last December Imperial Chemical Industries was talking about the "enormous" rises in its feedstock costs and was announcing price increases of up to 50 per cent for its own naphtha-based products. ICI's initiative was welcomed with open arms by the majority of chemical companies.

Most of the European chemical majors saw increased naphtha costs as an opportunity to put up their own product prices and to make them stick. There were still fears about market shares but there was also a degree of cautious optimism within the industry.

Then came the revolution in Iran and the downfall of the Shah. On Boxing Day exports of Iranian crude stopped. But the European chemical industry remained strangely unmoved. For a whole month it gave the impression of being quite oblivious to the fact that the ending of Iranian oil exports would inevitably mean a further tightening of naphtha supplies and more increases in naphtha prices.

Shell International Chemicals reckons that most of the European majors simply did not believe the Iranian oil crisis would last so long or have such an impact on them—particularly as there were still plenty of fully loaded oil tankers heading for Europe during January. The rush of chemical price increases announced by ICI, Bayer, Monsanto, Boig-Warner, Dow Chemical Europe, Du Pont and Hoechst at the end of January and the beginning of February would seem to bear out the Shell view.

One example of the chemical industry's cautious approach to trends in feedstock prices is provided by the German-based Hoechst. It is believed that Hoechst, the biggest chemical company in the world, has not yet agreed fixed contract prices with its ethylene and naphtha suppliers for the fourth quarter of 1978.

It is not unusual for quarterly fixed contract prices to be agreed after the quarter has actually started and the first deliveries have been made. Buyers and suppliers both hope market trends will give them a better deal. But it is rare for a chemical company to leave price settlements as late as Hoechst is believed to be doing.

Hoechst itself refuses to say whether or not it has settled its 1978 fourth-quarter naphtha and ethylene contracts. But the German giant's silence is more than made up for by one or two of the other European majors which have plenty to say about Hoechst in private. They are

worried that Hoechst's slowness to move will hamper their own price rise initiatives. They fear their customers will take Hoechst's dilatoriness to mean that higher prices for chemical products are not unavoidable.

But much of Hoechst's business is directed away from the commodity end of the chemicals market—pharmaceuticals is one of its biggest product areas—and it is not a major buyer of naphtha. This may be one reason why the West German Federal Cartel Office has warned Hoechst against trying to introduce huge price rises in order to recover its increased feedstock costs. This week the cartel office told the group that even public discussion of price increases of up to 50 per cent could be an infringement of a law against limitations on competition.

Some sections of the European industry are much more concerned about the intentions of the U.S. chemical majors than about the doings of companies like Hoechst. American chemical groups are not nearly so dependent on naphtha feedstocks as those operating in Europe. This is because the U.S. makes much of its ethylene and propylene—major chemicals used chiefly in the manufacture of plastics—not from naphtha but from ethane and propane which are natural gas liquids.

The availability of these liquids in America means there is a real danger of the U.S. flooding Europe with cheap exports of chemical companies on this side of the Atlantic allow their product prices to spiral too high in the wake of increased feedstock costs. The main export opportunities for the U.S. would be in the fields of plastics and solvents.

Rhone-Poulenc, the French-based chemical concern, believes the U.S. will undoubtedly try to move in on the European market with ethylene derivatives such as plastics. It says there can be "no question about it."

Insufficient finesse

The French group expects that the European companies will do comparatively well this year because some chemical products are already in short supply and there will be plenty of demand to raise prices. It adds acidly that it is "easy to practise statesmanship in pricing when the produce is short."

But Rhone-Poulenc fears that the Europeans will not show sufficient "finesse" in their pricing policies. It says they may overdo it, set their prices too high and so open the way for the Americans. It adds that the crunch could come in 1980 with a virtual collapse of chemical prices in Europe.

Anxiety about cheap U.S. imports was fuelled by Dow Chemical Europe, part of the

NAPHTHA; SOME DERIVATIVES AND END PRODUCTS

Ethylene:	Plastic goods Anti-freeze Fibres Pharmaceuticals Detergents Pesticides
Benzene:	Plastic goods Lacquers Varnishes Dyes Detergents
Toluene:	Solvents Polyurethane foam Paints
Xylene:	Solvents Paints Pesticides
Propylene:	Plastic goods Fibres Polyurethane foams Brake fluid

(derived from crude oil)

American-based Dow group. Dow Chemical Europe has been well and truly caught by rising feedstock costs because most of its naphtha and ethylene is supplied on contracts that are closely related to spot market prices. Other companies obtain most if not all of their supplies on fixed contracts.

In early February Dow Europe announced that it would be trying to put up its product prices by between 20 and 30 per cent by the beginning of March.

What alarmed other chemical companies was that Dow said it would have to consider importing cheap product from the U.S. if it failed to raise and hold its prices in Europe. This threat was particularly galling to competitors because in the past Dow Chemical Europe has not hesitated to cut prices when low spot market prices have given it favourable feedstock costs.

Aggressive price-cutting by some companies has made the European chemical majors highly sensitive about any loss of market share. In the past two months a number of big chemical concerns have said they will stand by their planned price rises even if it does mean losing market share in some product areas. But these brave statements rarely carry conviction, particularly in view of the threat from cheap U.S. imports.

The Japanese are not under the same threat of cheap U.S. chemical imports but they have still been hit by the tightening of naphtha supplies. Japan itself has no spot market for naphtha and its chemical industry obtains most of its raw material supplies from Japanese oil refiners on long, fixed-term contracts.

This means that naphtha prices in Japan tend to be comparatively stable. The chemical industry there cannot take much advantage of really cheap naphtha when the Rotterdam spot prices drop but on the other hand it is not as badly affected as Europe when feedstock costs take off as they have done this year.

Yet Japanese imports of naphtha are increasing. Some of the imported naphtha is bought on the Rotterdam spot market but some of it is purchased on one-year fixed contracts. As a result the Japanese chemical companies that rely on imported naphtha still tend to have greater protection against the peaks and troughs of the spot market than do their European counterparts.

But the general tightening of naphtha supplies is hitting the Japanese chemical industry's exports to South East Asia. Japanese oil refiners do not have enough product to keep the South East Asia market supplied.

The dilemma of most chemical groups is that they want to raise their prices to improve their profitability; and they know they must do so in order to recover increased feedstock costs but they are not sure how high and how fast they can go without sacrificing market shares. There are a few companies that see a providential chance to improve poor prices at a time of overcapacity but the majority feel that events have moved too quickly and too dramatically for comfort.

The news that Iran is planning to restart its oil production has helped to stabilise feedstock and base chemical prices. But it will be some time before Iranian oil starts flowing again into Europe on any scale—probably not before the third quarter of this year.

The "chaos" over naphtha will subside and most European chemical companies should find that increased raw material costs have provided them with the opportunity to boost their profitability. But feedstock supplies for the industry—available naphtha—will almost certainly continue to be tight and the problems of setting chemical prices at the right levels—levels that are not so excessive as to cause another downturn in the market—will remain.

MEN AND MATTERS

Denis puts his head down

As chairman of the International Monetary Fund's interim committee, Denis Healey has, for the past two years, by turns charmed and bullied both his ministerial colleagues and the journalists who cover the sessions. He has always spiced his performance with a great deal of banter and humour.

But his performance is startlingly different in Washington this week. There is speculation that the big Treasury "leak" in London—on white elephant job-creation schemes—could be connected with his odd behaviour. For example, all journalists were banned from the eve-of-meeting cocktail party for delegates.

When they turned up on Tuesday night, they found embarrassed IMF information staff blocking their path to both the bars and the assembled ministers, backed up by some even more heavily-handed security personnel. Even the normally convivial members of the British delegation refused to say a word. Healey had personally issued the "no journalists" edict.

An official said: "It was felt that some ministers might be suffering from jet lag and not be quite up to answering questions on sensitive issues."

There were only two possible conclusions: one, that the ministers are cooking up something dramatic; this is always possible, but is not taken seriously as a likely prospect for this meeting. More likely is that Healey, the quondam lion of international financial gatherings, has elected—presumably for domestic reasons—to clamp up. The Chancellor's reluctance to see the Press has already been making itself apparent in London—and is infecting his officials. There have been scores of cancellations of appointments and lunches—clearly on orders from above and allegedly because of pre-Budget purdah.



"Care to wish your dustman an early Happy Christmas, squre?"

But there is more than a suspicion that last week's big leak has reinforced the Treasury's natural secretiveness. The irony is that Treasury officials are the most unlikely group in Whitehall to stage a deliberate leak—perhaps being a bit more conspiratorial might even help them. Could it be that the Treasury mandarins themselves—one of whom was named in the leak—have persuaded Healey into his uncharacteristic silence.

Mac-appeal

The deployment of Harold Macmillan's old-style charm on the Conservative's party political broadcast last night was not as more cynical media-analysts might suspect—a wheeze by Saatchi and Saatchi. The Central Office was anxious to point out yesterday that the party's hired advertising men are merely the "expert end of the projection"; this time, their task was limited to cutting the best of Mac from his recent speech to the Young Conservatives.

So who thought of using him? I gather it was Gordon Reece,

the Central Office director of communications—and he, naturally enough, is forever conferring with the leader. Perhaps Mrs. Thatcher has been much impressed with the tremendous play given to the photographs of her sitting on the floor beside the chairman of the Conservative Club a month ago.

But if Saatchi and Saatchi had only a technical role in last night's image-making, they are exercising their creative skills at full pressure, I hear, on leaflets, posters and the like for the general election. Like Supermac, of course, it is timeless stuff.

Moving music

Quite apart from the Japanese government's anxiety to slough off its trade surplus, Japanese dealers have been taking an unusually strong interest in the London art market in recent months.

According to the New Bond Street auctioneers Phillips, the Japanese have of late moved on from their long obsession with the Impressionists, and are now snapping up Victorian paintings, Art Nouveau, and Art Deco, along with any examples of their own culture that they can lay their hands on.

But most noticeable of all, I hear, is the Japanese presence at sales of novels and pianos. At our monthly sales of instruments as much as half the middle range is regularly bought by Japanese buyers," says Phillips. "There's a regular container service for violins—the bows are sent by air."

It seems the Japanese are ever-more musically-minded. So, while being an investment, the instruments will also be played. "When a child is born, the family is instantly showered with literature from the violin and piano dealers."

Leading the blind

For those who stand on the sidelines, EEC directives on sio-juice (fresh and tinned) have their diverting aspects,

but the deluge of Euro-paper on this and a multitude of other subjects is clearly telling on the nerves of Britain's would-be Euro-MPs.

I hear a handful of them have approached a recently-formed organisation called European Community Investigation Services, for guidance through the thicket. Started by an energetic former academic and veteran of the film industry, Caroline Heller, ECI devotes itself entirely to processing EEC documents, about 10 selected pounds of them a day.

Most Euro-candidates know absolutely nothing about what they have let themselves in for," says Mrs. Heller. "The poor things get literally tons of paper. (I don't think it's possible for them to cope unless they specialise.)"

Pray silence

Switzerland's "Day of Prayer" may be even quieter than usual this year. The National Council, the country's Lower House, has voted in favour of banning all cars on the annual inter-denominational event.

The idea of car-free days took the fancy of some Swiss after 1975: driving was banned on Sundays for a time during the oil crisis. Last year a referendum was held on having 12 traffic-free Sundays a year, but was heavily voted down. Even the latest attempt is likely to be quashed by the States Council. There is especially strong opposition in French-speaking Switzerland: one Vaudois parliamentarian said drily the Federal Prayer Day does not count as a "day of contemplation" in his part of the world.

Second hearing

Heard from one waiting man to another outside a Wimbledon telephone kiosk: "She'll be ages yet, old boy—she's just changed ears."

Observer



Graham's job is seeing people, even though he's blind!

Every working day, Graham Salmon commutes from Essex to the City of London.

Then he walks to his work at a famous Building Society's Branch Office to start the day's interviewing—he's the first person people meet when they want a mortgage.

Graham, who is 25, has been totally blind since he was 2. He's good at his job because he's a very capable man—and because he's well trained. He went to RNIB schools and its Commercial Training College, before gaining further on-the-job training and experience. As Graham himself says, I never let anything beat me.

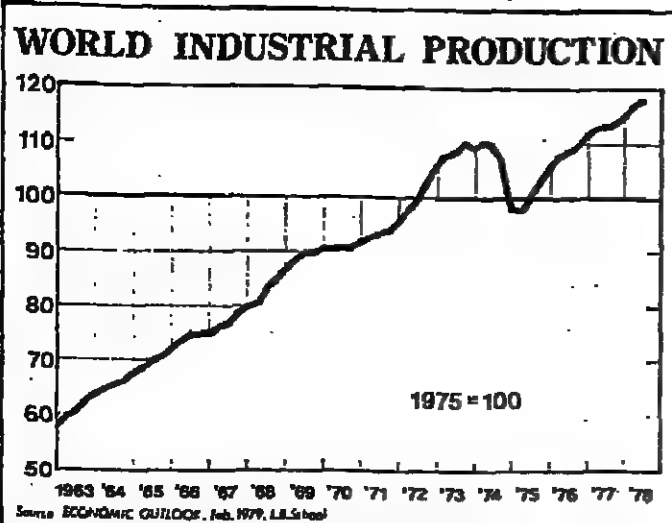
If you're an employer, you could benefit by recruiting blind persons trained by the RNIB.

Even if not, you can still help. The RNIB needs your support through legacies and donations to maintain its many services to blind people, including training others like Graham.

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224 GREAT PORTLAND STREET, LONDON WIN 6AA
Under the Finance Act 1975, registered as a charity with a total of £100,000 in assets. Registered for tax purposes with HM Revenue & Customs under the Charities Act 1960 (Reg. No. 25227).

من الأعمال

Hopes, risks and a bit of theology



demand for oil respond to incentives. It is crazy beyond belief that so many supposedly free enterprise countries, among which the worst offender is the U.S., are holding their domestic oil prices so far below world levels. This is part of the cost for a counter-inflation philosophy that concentrates on the control of specific wages and prices, and neglects the role of variations of relative prices in allocating resources and providing incentives at a difficult juncture.

BUDGET THEOLOGY

IT IS ONLY fair to warn readers that this section of *Economic Viewpoint* leads up to a discussion of an unsolved theoretical problem, although it starts off with some straightforward points on the forthcoming British Budget. To some extent the shape of the Budget is already determined by the Chancellor's of-fo-the-road pledge to put a limit of £5.5bn on the Public Sector Borrowing Requirement. But that still gives him a certain room for manoeuvre.

Conservation

If this is a deliberate margin maintained for cartel purposes, then the Saudi Arabians are in a position to limit, if they wish, the rise of the oil price in 1979 to the 10 to 25 per cent range widely assumed. But if there is also a conservation or technical element behind Saudi Arabian curbs, the "upside risk" is much greater. Clearly things have to go only slightly awry for there to be large market-induced price rises, or severe physical shortages, or both. None of these constraints are permanent physical necessities. Both installed capacity and

give himself a safety margin. Taking everything together, the Treasury has a discretionary margin of at least £2bn to play with in deciding how much extra revenue to raise on Budget Day (April 3). As might be expected the usual arguments between the "doves" and the "hawks" have broken out inside Whitehall.

The arguments of the doves will be obvious enough. The official economic forecasts showing a slowing down of the growth rate and a renewed upward creep in unemployment. Moreover the commitment to a tough budgetary stand made when the Government had difficulty in financing its borrowing.

The replies of the hawks take many forms. They can point to the abysmal record of fine-tuning and the arguments for a steady and gradual decline of public sector borrowing. They can query the view that output is held up by a demand rather than a supply constraint. Moreover, despite recent gilt sales, a high PSBR can still raise doubts about achieving the monetary targets. There is now a good deal of evidence that increases of the inflation rate boost personal savings and can thus have a deleterious effect on real spending and employment—the opposite of what the doves wish to see.

But the theoretical point I want to raise concerns a rather different argument against a high British borrowing requirement, when this is seen in an international context. The argument is not primarily concerned with inflation, but has everything to do with "deindustrialisation" and the way in which North Sea oil has been used to finance consumer spending rather than industrial investment.

Let us start from the platitudes

that the balance of payments must balance. If there is no official intervention, the balance can be divided into three parts: the current account (popularly but wrongly known as the balance of payments), the long term capital account and short term capital movements (including those of a speculative kind). The sum of these three components is zero.

The normal assumption is that the current account is given by God or by government policy. Capital flows, short or long, have to bridge the gaps.

My suggestion is that one should look at matters the other way round. In other words the balance of long term capital movements is the driving force and the current account the residual. If domestic investment exceeds a country's savings, then there is a capital inflow from overseas, giving a capital account surplus. The exchange rate then rises, relative to cost levels, and an offsetting current deficit is generated. Conversely, if domestic investment falls short of savings, there is a capital outflow, the exchange rate falls, and a current surplus is generated.

Small part

What has all this to do with the British budget? The usual assumption is that if the Chancellor borrows more, but sticks to his monetary targets, then domestic interest rates will rise. This is not so credible an assumption if one looks at the world capital market, where the demands of the British Chancellor are a very small part of total borrowing. If the UK Treasury increases its borrowings, any deficiency in domestic savings can be made up by attracting inflows from abroad with only a minuscule rise in interest rates. Is this then not an argument

for the doves? Decidedly not. For an inflow of funds will, for the reasons just mentioned, raise the exchange rate relative to cost levels, push the current account towards deficit and thus make exports and domestic investment less profitable. The qualification "relative to domestic costs" is important. For the argument basically concerns the real economy, not inflation rates.

The idea that a lower PSBR will depress the real sterling exchange rate and a high one boost it may seem "counter-intuitive." This is because past periods of high public sector borrowing have been associated with grave doubts about the future course of monetary policy and the inflation rate. Thus announcements of a high PSBR have led overseas investors to be dissatisfied with existing rate of return on sterling assets and to withdraw their funds until nominal interest rates were raised to crisis levels. These confidence effects then swamped everything else. Entirely different considerations apply in condition of monetary stability once variations in the PSBR are no longer expected to affect the money supply or the long-term inflation rate.

The underlying argument is seen if one thinks of an upsurge of UK corporate demand for finance of which incidentally there are now many signs. This tends to attract funds to London and to raise the real sterling exchange rate. A drop of corporate demand would on the other hand attract fewer overseas funds and therefore mean a lower real exchange rate. A low PSBR would work exactly the same way. The above argument makes no allowance for interest rate policy on the grounds that it is not, except in a temporary sense, under Government control. There is, of course, no

single "world" interest rate; but there is a world pattern in which different national rates are related by expectations about inflation and about exchange rate movements and also separated by things such as exchange control.

Offsetting

But whatever the effect on the exchange rate, will not a low PSBR—whether achieved by economies in public expenditure or higher taxes—mean less domestic spending and therefore recession? The normal monetarist answer is that lower interest rates and less borrowing from the public will offset any adverse effects on real spending. But in a more international context, it may not be so much interest rates as the real exchange rate which will be lower with a small PSBR, and the offsetting boost will come from larger net exports and better profit margins.

It would be better if one could draw on some rigorous professional discussion of these abstract matters. I tried in vain to stimulate such a discussion last time sterling was rising in 1977 (*How Budget Deficits Matter*, October 8, and *The Effects of Budget Deficits*, November 7). But nowadays professional economists seem to follow rather than lead newspaper discussion.

In practical terms, I am not calling for a balanced budget or a draconian change in fiscal policy. The point is that if the Chancellor sticks to his £5.5bn limit or slightly less, he will not thereby be "clobbering the economy," but merely clobbering a very out-dated conventional wisdom—a very different matter.

Samuel Brittan

Letters to the Editor

Finance for industry

From Mr. M. Gould.
Sir—Before the appearance of the article by Michael Lafferty (March 2), entitled "Leasing growth crisis" warning "one could have been forgiven for believing that the obvious claims of fringe motor lessors and the rash of correspondence on the why's and wherefores of the tax influence I faded into obscurity. Certainly vehicle leasing continues to be a popular method of fleet financing but surely there can no longer be any doubt in anyone's mind as to the Revenue's attitude to possible benefits attracted from doubtful arrangements foolishly entered into to obtain the use of a car, or for that matter any other sort of car. The result, likely seen to follow the example given by the Press some time back, was that the finance industry policed itself for the most part swept away the earlier unwelcome aspects of its vehicle leasing side. Naturally, there will also be the rogues and the rogues are but as the latter "cheat" must apply.

Michael Lafferty and his unnamed bank are absolutely right in reporting the leasing industry has taken place in a country in the last two or three years. As indicated most of a growth has been fuelled by businesses or associates of our banking sector anxious to take advantage of the tax allowances available. What appears to be a root of the current concern is that others with available funds not necessarily involved in the banking business are also seeking to shelter their liabilities. Most of those involved would, I am sure, have been directed by their professional advisors to utilise the services of one of the several leasing and finance companies offering leasing management expertise every bit as competent as knowledgeable as that available within the banks themselves. Indeed certain leasing managers are associates of the country's leading banks and finance houses.

What may be overlooked is the social and economic benefit of bringing together of money and equipment has produced. It is not philanthropy that encourages the big individual tax payers or profitable companies into becoming lessors. We must recognise, however, that funds that might have been locked away in undeposited accounts or vested directly in stocks and shares are being channelled through the lessors of plant and equipment into industry. In particular it is very noticeable how much influence leasing is having in the rapid introduction of computer equipment and computerised systems. Equipment which may never have been capable of being acquired by a manufacturer or would otherwise rely on his own financing or that of his bank, is now available to the industrialist through the agency of leasing. This is matching of supply and demand for finance that counts for the growth in leasing. Clearly we would not have seen development of leasing to the present level had not been for the needs of businesses in this field.

While the particular situation relevant to the tax position on

leasing higher priced motor cars has undoubtedly influenced the growth of this particular sector it must be remembered that the first year allowance system is available to both the manufacturer who buys his equipment outright and the lessor who rents a similar item. The lessor is thus only obtaining the same allowance that could have been obtained by his manufacturing lessee had the latter wished to finance the equipment from his own resources.

By all means let the Revenue tighten the rules on the leasing of motor cars. Just a clearing away of anomalies would be welcomed by most but please do not encourage the authorities to change the very system that is helping industry to modernise.

Leasing growth

From Mr. A. Barnes.
Sir—In his article, "Leasing growth crisis" warning (March 2), your Banking Correspondent refers to the warning given, by one of the clearing banks to the Bank of England, of a new secondary banking-type crisis. The warning stems from a car leasing tax anomaly and the recent growth in leasing of the non-financial company lessor.

Where car leasing is concerned, the Inland Revenue, in its Press release of July 28, 1978, set out details of the taxation provisions that exist to deal with what are termed "Variations from the traditional provisions of car leasing." In acting so promptly, the Inland Revenue indicated that it was aware of fringe leasing schemes and was equipped to deal with any anomalies that might arise.

Perhaps the real anomaly of car leasing in the UK is that banks, and their finance house subsidiaries, have become so involved. In those markets where car leasing is more established and sophisticated, it is essentially a service-based industry and its main expansion has been through the development of specialist car lessors.

In respect of the growth of the non-financial lessor, some of whom are now well established, it is unlikely to lead to a "collapse." These lessors have proved their success in the commercial world and have competent staff and outside financial advisers who, between them, have fully evaluated the financial and other risks, as well as the tax implications of an involvement in leasing. Undoubtedly, recent Press reports that various banking lessors have not made a full provision for deferred tax, will have caused some puzzlement. Most, if not all, of the new lessor companies will adopt the recommendations of the Equipment Leasing Association and make a full provision for deferred tax.

Emergence of new responsible lessors should be welcomed, especially at a time when the industry requires an increase in the industrial investment. The newcomers will give a strong leasing and will, perhaps, help the industry to achieve a com-

parable marketing penetration to that achieved by leasing companies in the United States of America.

A. R. Barnes.
St. Alphage House,
2, Fore Street, EC2.

Advertising on the BBC

From Mr. J. Bescoy.
Sir—I have long wondered why the BBC did not accept the logic of selling advertising time and Mr. Mahoney (February 28) has stimulated my thoughts on the matter.

Of course the BBC establishment will protest (supported by those politicians to whom all things commercial are anathema) that selling advertising time equals a lowering of standards. I do not believe, however, that the equation is valid. The BBC (unlike the programme companies operating within the IBA) could be allowed to make its own decisions about the quantity of time it would sell (perhaps constrained by a legal maximum), about the frequency and arrangements of advertisements and, above all, about content. In this way the BBC would be entirely responsible for maintaining its own standards.

Such a move provides a way out of the corporation's perennial financial difficulties and would also enable it to pay competitive salaries.

J. E. Bescoy.
(Senior Lecturer in Industrial Relations)
The University of Newcastle-upon-Tyne.
Stephenson Building,
Clarendon Road,
Newcastle-upon-Tyne.

Creditors and capital

From Mr. J. Dover.
Sir—It appears that trade creditors wish protection from banks which take security for advances to customers for working capital and thus rank ahead of suppliers in bankruptcies and liquidations.

Why do suppliers compete vigorously to grant unsecured credit? Why do banks need security?

Trade credit of £100,000 engenders turnover of over £800,000 if a normal six weeks credit is taken. Assuming a gross profit of say 33 per cent and direct costs of obtaining the turnover of say 184 per cent, a supplier retains marginal profit of 15 per cent i.e. £128,000. Marginal profit of only 10 per cent will leave £80,000. At current interest rates a bank makes £10,000-£14,000 on an overdraft fluctuating up to £100,000.

Thus it can be seen that a supplier makes up to 130 per cent (and perhaps more) per annum on the capital risked in the hands of its customer as compared to a bank's 10 per cent-14 per cent. The bank has little margin for loss of capital, surely.

John H. Dover,
9 Greenhill Avenue, Giffnock,
Glasgow.

Religious beliefs

From Mr. D. O'Brien.
Sir—Justinian (February 28) asks how many of your readers

would regard blasphemy as an offence against the tranquility of the Kingdom and I for one must answer that I do so regard it.

Is Justinian so out of touch that he cannot appreciate, as Lord Scarman can, the desire of so many people in this country to have their religious beliefs and feelings protected from "securitisation, vilification, ridicule, and contempt."

In contrast to Justinian's conclusions, I agree profoundly with Lord Scarman's conclusions that "it would be intolerable if by allowing an author or publisher to plead the excellence of his motives and the right of free speech he could evade the penalties of the law even though his words were blasphemous in the sense of constituting an outrage upon the religious feelings of his fellow-citizens."

It is not enough for any man in any area of society subjectively to plead free speech and excellent motives in defiance of the law. We have seen where this can lead. The rule of law exists for the whole Kingdom and society is not assisted by pretending, as Justinian suggests, that "abolition of the crime" removes the offence.

D. O'Brien.
Nab Cottage, Shrigley Road,
Pott Shrigley, Macclesfield,
Cheshire.

Electrifying the rails

From the Secretary, British Transport Officers' Guild.
Sir—The report (February 27) of the views of the British Road Federation of the options for further electrification of British Rail's network makes rather depressing reading for anyone who wants to see a more strategic approach to transport investment.

It is clear that some fundamental changes will be required in the total transport system of the country in the foreseeable future, because the supply of oil is finite and nobody is sure of future pricing policies of the Organisation of Petroleum Exporting Countries. The fact that serious consideration is being given to proposals by British Rail that would have a significant impact on the country's demand for oil should surely be welcomed.

There is no doubt that any spending on further electrification will be subject to serious Government scrutiny and many of the principles laid down by the Leitch Committee, e.g. cost benefit considerations for road/rail investment will be followed. We cannot accept British Road Federation's inference that such studies will not be carried out.

The essential point however, in this exercise is that there is at least the opportunity to integrate and develop British Rail's rather piecemeal electrified system, and in so doing establish a more efficient railway and a sound strategy for the first time for many years.

In the Guild's view, therefore, railway electrification is not just a very large project, but the start of rethinking the nation's total transport policy, a review which is long overdue.

J. C. Rogers.
Room 307,
West Side Offices,
King's Cross Station, N1

Today's Events

GENERAL
UK: National Union of Mineworkers' executive meets to discuss pay offer and whether it should be put to ballot.
Power workers in pay talks with Electricity Council.
British Steel Corporation meets TUC steel committee on Bilston closure.
National Consumer Council statement on shop opening hours and Sunday trading.
Overseas: President Carter arrives in Cairo for talks with President Sadat of Egypt.
OFFICIAL STATISTICS
Provisional figures of vehicle production for February. Fourth quarter construction output. January business starts and completions. Survey of short-term

export prospects (to third quarter, 1979).
PARLIAMENTARY BUSINESS
House of Commons: Supply day. The question will be put on all outstanding estimates and votes. Debate on Employment Protection Act.
House of Lords: Social Security Bill, third reading. Carriage by Air and Road Bill, committee stage. Vaccine Damage Payments Bill, second reading. European Assembly Elections regulations. House of Commons (Redistribution of Seats) Bill, report stage. Northern Ireland Orders. Select Committee: Nationalised

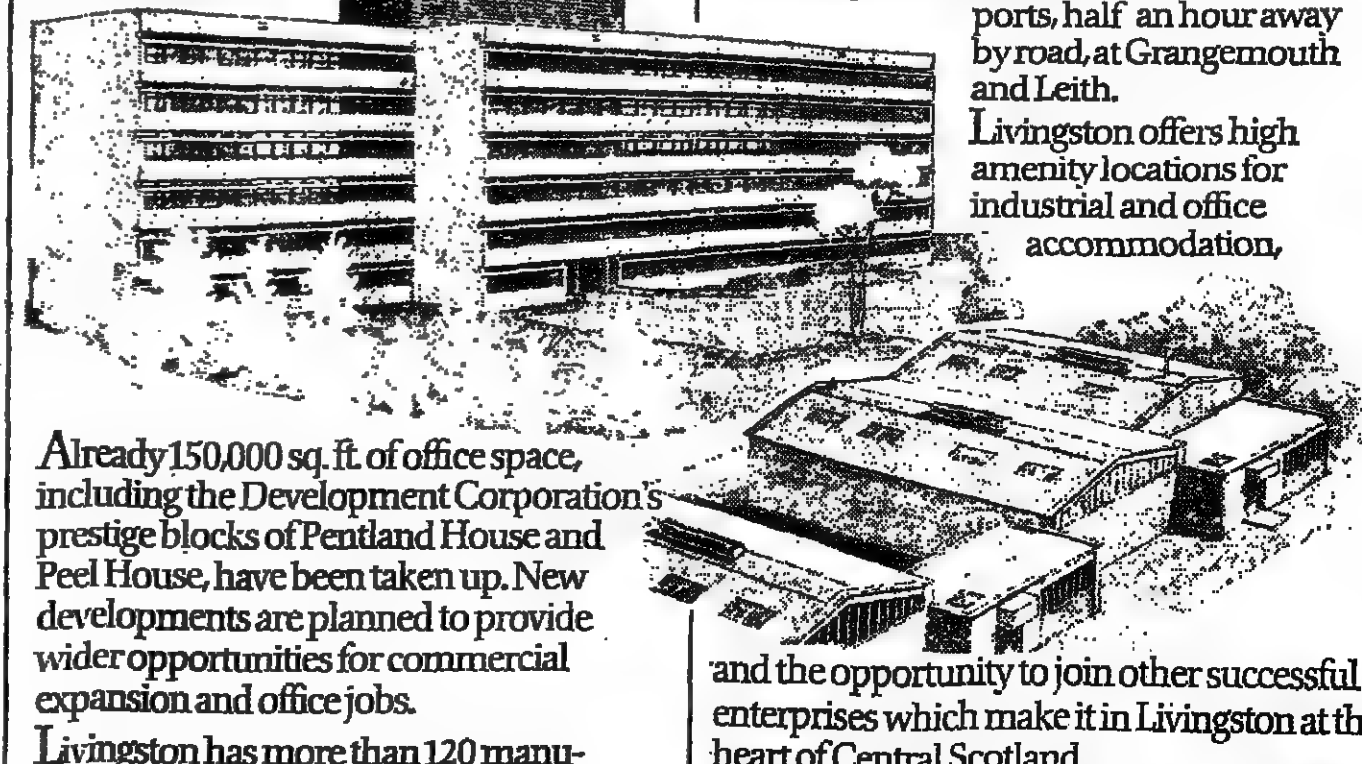
Industries, Sub-Committee D. Subject: Consumers and Nationalised Industries. Witnesses: Electricity Council, National Water Council. Room 8, 4 pm.
COMPANY RESULTS
Final dividends: Corah, Derek Cruick, Davies and Metcalfe, Five Forge Company, Goode, Murray and Murray, Harris and Sheldon Group, Lex Service Group, Midland Bank, Needlers, New Equipment, Royal Dutch Petroleum Company, W. N. Sharpe, Shell Transport and Trading Company, Tannery, Mulligan, Interim dividends: Gailford Bridley, Staffordshire Potteries (Holdings), Strong and Fisher (Holdings), United City Merchants, Interim figures: Plessey Company.

COMPANY MEETINGS
Charter Trust and Agency, 20 Fenchurch Street, EC, 2.30. T. Cowie, Milfield House, Hyton Road, Sunderland, 12. Finlay Holdings, Pison Way, Thetford, Norfolk, 11.15. Grand Metropole, The Lyceum, Wellington Street, WC, 11.30. Lomro, Grosvenor House, Park Lane, W, 12. Tate and Lyle, Europa Hotel, Duke Street, Grosvenor Square, W, 11.30. Watson and Philip, Angus Hotel Marketgate, Dundee, 12.

Office and factory accommodation in an ideal location.

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Incoming companies enjoy maximum assistance and a wide choice of housing for staff and employees.

ports, half an hour away by road, at Grangemouth and Leith. Livingston offers high amenity locations for industrial and office accommodation,

and the opportunity to join other successful enterprises which make it in Livingston at the heart of Central Scotland.

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Position: _____

Company: _____

Address: _____

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Companies and Markets

UK COMPANY NEWS

Woolworth reaches £53m after final quarter boost

FOURTH QUARTER profits of F. W. Woolworth stores and supermarket group, surged by 16.75 per cent to £30.07m taking the total for the year ended January 31, 1979, up by 13.5 per cent to a record £53.1m. The group also announced that a professional revaluation of property has thrown up a surplus of £266m which has been added to reserves.

Sales for the year rose by 14 per cent to £875.2m—the trading margin was slightly down at 6.4 per cent (6.6 per cent). In the important final quarter, which includes Christmas, sales went up by 15.8 per cent. At the nine-month stage the directors said that, given a continuance of current consumer spending in the final quarter, they expected the annual profit to exceed that of 1977-78.

The directors state that trading prospects will depend greatly upon how long the recent consumer spending level is maintained. However, "the country's economic climate would appear to be now less certain and a higher inflation rate a real prospect."

They report that the group is well placed on stock availability to cater for any increase in its market share as a result of a switch by consumers to credit in conditions of tighter control.

After a much reduced tax charge of £12.65m compared with £22.14m net profit comes out at £40.25m against £24.65m and earnings per share are stated at 10.72p (8.52p).

The dividend total is increased from 4.176p to 4.47p, with a final of 3.345p. On the tax charge the directors explain that provision has only been made for deferred tax arising on short term timing differences to conform with the change in accounting policy. Last year's figure has been restated on the same basis. This year's tax charge has also been favourably influenced by an increase in stock relief.

The net profit is before taking into account foreign currency losses of £357,000 (£383,000) and extraordinary debits of £781,000 (credit £554,000). Included in extraordinary items is an amount of £1.8m written down of the group's interest in the Rhodesian subsidiary. This sum is required to reduce that investment to the level at June 30, 1968.

HIGHLIGHTS

Lex considers the full accounts from ICL. Record capital spending at a time of lower profits led to a large cash outflow last year and another drain on cash looks likely in 1978, while the company has problems passing on raw material price increases in the petrochemical field. At Woolworth, profits are up 13.5 per cent to £53.1m and a property revaluation doubles shareholders' funds. Finally Lex examines the market with the All-share Index reaching new peaks and the Ordinary Index poised to go through 500. Elsewhere, Kode has produced a good profit jump thanks to a good all-round performance, but Nu-Swift has been held back by start-up costs.

when management control ceased to be exercised from the UK and this treatment conforms with SSAP 14.

	1978-79	1977-78	1976-77
Turnover	875,200	767,340	670,000
Deduct VAT	51,753	42,941	37,000
Leaving	823,447	724,399	633,000
Depreciation on fixed assets	64,474	58,630	52,000
Less	8,675	7,956	7,000
Investment and rent inc.	1,442	1,117	1,000
Surplus on property	497	257	200
Finance charges	33,700	46,780	40,000
Tax	12,584	22,135	20,000
Net profit	60,584	24,650	20,000
Current differences	350	24,650	20,000
Europe, debit	781	1,954	1,000
Profit	59,803	22,696	19,000
Dividends	16,900	15,785	15,000
Retained	22,462	8,911	4,000
1 Credit			

See Lex

AC Cars early difficulties

Assessing prospects for A.C. Cars, Mr. W. D. Hurlock, the chairman, says that trading in the early months of the current year has been difficult and much will depend on the group's ability to rapidly increase car production to meet demand.

Production of the new ME 3000 is now well under way and initial deliveries are being made to approved dealers and customers. The group is still, however, having great difficulty in getting skilled labour.

In the year ended September 30, 1978, group profit before tax amounted to £206,085 (£215,456). The directors explain that the past year has been a very difficult one for the parent, the bulk of profits having been contributed by recently acquired sub-

sidaries. Pem Trailers and Unipower Vehicles. Net margins are again reduced but earnings per share are ahead from 5.35p to 5.61p reducing a reduced tax charge.

The chairman looks forward to increased profit contributions from the new acquisitions in the current year.

Meeting, Thames Ditton, March 28 at 4 pm.

Woodward & Son slips to £558,661

ALTHOUGH TURNOVER has better at £10.01m against £9.6m, taxable profits of H. Woodward and Son slipped from a peak £575,475 to £558,661 for the year ended September 30, 1978.

At midday, the surplus was down from £232,141 to £215,663. Full year profits included £8,000 (£4,071) on sale of fixed assets, and reduced profits from subsidiaries of £47,302 (£93,633). Stated earnings were slightly lower at 19.7p (19.78p) per 12½p share, but the dividend total is lifted from 1.57p to 2.057p net, with a 1.557p final.

The group's interests are in commercial vehicle distributing and bodybuilding, car dealing, industrial plant distributing, civil engineering contracting and metal fabrications.

Attributable profits rose from £439,002 to £473,641, after tax of £31,646 (£31,937), minorities, and extraordinary debits last time of £36,491. Extraordinary items comprised £39,000 goodwill written off, partly offset by a £2,509 balance of disturbance claim.

Spain upset for Nu-Swift

PROFITS IN THE UK improved by 13.3 per cent to reach £1.03m for Nu-Swift Industries, fire-extinguisher maker, in 1978. However, chiefly because of the cost of establishing and operating a marketing company in Spain, amounting to some £163,000, group taxable earnings were down from £908,009 to £863,741.

Lower tax of £299,328 (£475,264) enabled the company to show a £121,668 advance at the net level to £554,413. At half-time profit was better at £551,000 (£514,000) and the directors forecast a record intake of orders in the second six months. Sales for the year emerged 19.75 per cent up from £9.14m to £10.95m and world order intake rose 18.3 per cent.

Home market sales were 30 per cent ahead with residential smoke detector sales growing by a third.

Mr. I. Dorr, the chairman, now says that the company should enhance the penetration of its markets in 1979 and the directors are planning for greater profits and earnings. The cash position is expected to remain comfortable over the 12 months ahead with production has been fixed at higher levels.

The company's UK sales and service division has been considerably strengthened and overseas activities remain strong. In the current year, which produced a £1,336 (nil) profit in 1978, Holland and Spain should all trade profitably. Altogether he forecasts an additional £223,000 contribution to group profit from direct overseas investments.

A second net interim dividend of 1.023p lifts the total to 1.748p (1.566p). The extreme January and February weather in Britain and the rest of Europe had some adverse effect on sales. Even so orders were slightly up. The group began 1979 with an order book of £0.94m.

Mr. David Hunter, associate director and home sales manager of Nu-Swift International, has been elected to the Board of that company and Nu-Swift Industries and appointed export sales director. In addition Mr. Michael Cotton, the group's chief development engineer, becomes associate director of Nu-Swift International.

	1978	1977
Pre-tax profit	863,741	908,009
Less: tax	1,022,221	908,009
Switzerland	1,236	—
Spain, loss	159,403	—
Adjustment	23,344	—
Net profit	554,413	432,745
Minorities	30,115	—
Group profit	584,528	432,745
Dividends	1,422,389	1,371,281
To general reserve	600,000	—
Dividends	145,000	150,000
Dividends	397,389	908,009
Fixed asset replacement reserve	—	—

comment

Start up costs, taken above the line, have held Nu-Swift Industries back last year but the group is going for an additional £223,000 profit contribution from the fledgling overseas marketing network in 1979. Elimination of Spanish losses would be worth a further £153,000 so the base for current year forecasts must be around £1.4m, even assuming nil growth in the home and export markets. Domestic sales improved by a fifth last time while overseas sales rose by 17 per cent and, while the adverse weather conditions have held back sales in the UK and most parts of Europe, the demand for February, demand appears to be holding up well. After a flatish performance over the last six years, the profits graph could be set for a marked upturn in 1979. The 30p, down 5p yesterday, share, are still discounting much of the anticipated improvements on a fully taxed historic p/e of 15.3 or 11 on stated earnings. A yield of 8 per cent may offer some support.

Blundell-Permoglaze ahead and confident

OUTLINING prospects for the current year of Blundell-Permoglaze at the annual meeting yesterday, chairman Mr. N. G. Bassett Smith said by the end of four months profits were ahead compared with the same time last year.

And predictions, which had been reviewed recently, confirmed the budget forecasts; and the chairman expressed his confidence that the year's outcome would be successful as long as there were no further upheavals outside the company's control.

The problems and difficulties posed by the lorry drivers' strike in January were mitigated. The group was helped greatly by an excellent start to the year achieved in November and December and it returned to normal profitability during February.

The chairman referred to the rejection by the Treasury of the company's application, based on profits expansion, further to increase the dividend. He said: "We believe, and our case is based on this, that stock appreciation tax relief should be excluded from the cover formula as this relief was introduced specifically to strengthen company liquidity. It should thus not be regarded as available for distribution."

"I hope that we may still persuade Government to adopt a commonsense attitude on this subject. Should our efforts be successful, I can say that your Board would not hesitate even at such a late stage to recommend the payment of an additional dividend in respect of last year."

St. Piran calling EGM for March 30

BY JAMES BARTHOLOMEW

The board of Saint Piran, the controversial mining and building group, has responded quickly to the requisition of an EGM to remove the existing directors.

An EGM has been called for March 30 at Winchester House, London Wall.

Recommending shareholders to support the existing board, Saint Piran alleges a link connecting some of the people who have requisitioned the meeting. The directors say that Mr. Max Lewinson and Mr. R. H. Morley, two of the proposed replacement directors, have a connection with Mr. Thomas Scrase, a partner in Gittins and Co., and Mr. Robert Morrison, chairman of Planned Savings. Mr. Scrase and Mr. Morrison are said to be the directors of Burma Mines which has invested in a subsidiary of Dundonian, of which Mr. Lewinson and Mr. Morley are directors.

"In this respect it is relevant to have regard to the fact that Mr. Scrase was censured by the Take-over Panel for failing to ensure sufficient funds for the abortive take-over of Court Hotels in which Mr. Morrison was once a director," says the board. Saint Piran also directs shareholders to articles which have appeared in the Press about Mr. Scrase and Gittins and Co.

The Board asks for shareholders' help to "prevent requisitionists replacing your experienced and highly qualified Board with directors who are less experienced and qualified in relation to your company's business." Profits over the past five years have risen from £0.2m to £3.0m, it says. "This record speaks for itself."

Replying to Saint Piran's allegations, Mr. Lewinson said yesterday that Mr. Scrase and Mr. Morrison were only two out of 50 requisitionists; that none of the five proposed new directors had any dealings with Planned Savings or Gittins and Company; that none of the five have any common directorships with Mr. Scrase or Mr. Morrison, and that four out of the five do not know these two men.

The investment by Burma Mines in a subsidiary of Dundonian was the full extent of Mr. Lewinson's own previous dealings with them. Saint Piran had made a mountain out of a molehill, said Mr. Lewinson. He added that Saint Piran had not answered the points made in his own circular and that the short notice of the EGM would effectively disenfranchise small shareholders in the Far East because of the likely postal delays. He urged Saint Piran shareholders to do nothing until they hear further from him and his colleagues.

LMI wins Caledonian approval with 159p

BY ARNOLD KRANDORFF

IN YET another attempt to gain control of Caledonian Holdings, the board of London and Midland Industrials, yesterday won approval for a revised offer worth 159p per share—3p per share more than rival bidder Comet Radiovision Services.

This is Caledonian's fourth bid approach since it came to the market just over five weeks ago, and the third it has recommended to its shareholders.

The latest offer puts a price tag on Caledonian of £15.9m which is £9.4m more than Stenhouse, the original owner, obtained through the offer-for-sale. Last night Caledonian's shares closed 7p higher at 155p.

Caledonian's first bid approach, which was rejected outright, was pitched at around 84p per share and came from LMI just 24 hours after the company's debut.

Two weeks later Caledonian accepted an increased bid from LMI worth around 122p per share after Comet had indicated that it was seeking a recommendation to an offer worth 110p.

Just over a week ago, Comet stepped in with a recommended bid then worth about 150p per share, with a cash alternative of 148p. Comet, which holds almost 30 per cent of Caledonian's share capital, said yesterday that the company was studying the situation. Terms of the revised offer are one £20 share plus 50p cash for each Caledonian share, with a cash alternative of 162p per share.

Full acceptance will involve the issue of 7.05m new LMI shares and the payment of £3.53m cash.

Under LMI's previous deal, Harris Queensway had agreed to buy Timberland (the retail element of Caledonian's home improvement division) for £5m. In addition Harris would have paid off Timberland's £2m debt to Caledonian.

According to LMI, Harris has now agreed to increase the purchase price of Timberland from £5m to £5.5m as well as discharging the £2m debt. Shares of Harris yesterday jumped 16p to 224p.

Timberland, which earned pre-tax profits of £0.46m during the year ended September 30, 1978, will continue to market Caledonian's kitchen units under a two-year agreement with LMI.

LMI says that the revised offer and the agreement with Harris is expected to produce an increase in the company's earnings per share of about 15.6 per cent. On the cash basis, the total acquisition cost, including the near 30 per cent of Caledonian's shares already owned by LMI, amounts to about £12.5m.

LMI and Harris have given assurances that the existing employees of Caledonian will continue in employment on terms no less favourable than those at present enjoyed. LMI says it intends to retain and develop the activities of Caledonian other than Timberland.

Mr. W. R. Burns, Caledonian's chairman, will join the LMI Board following the revised offer becoming unconditional.

The board of Caledonian intend to accept the LMI offer in respect of their holding of nearly 2 per cent.

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corresponding dividend	Total for year	Total last year
Cornel Dresses	0.75	April 27	nil	0.8	0.8
G. H. Downing	2.8	April 20	2.5	5.3	5.79
Family Investment	2.55	May 3	2.35	4.9	3.85
First Guaranty Secs.	3.5	May 3	3.06	6.56	3.06
Laurence Gould	0.85	April 17	—	0.85	—
Kode Int.	3.41	—	3.05	6.46	5.75
Nu-Swift	1.02	April 4	0.91	1.93	1.57
Updown Ltd.	1.3	April 3	1.75	3.05	1.75
Westwood Daves	nil	—	3.44	3.44	3.44
H. Woodward	1.58	April 20	1.37	2.95	1.87
Woolworth	3.25	—	2.95	6.2	4.15

Dividends shown pence per share net except where otherwise stated. * Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. ‡ As forecast in June, 1978, placing. § Including 0.046p supplementary.

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Timberland has also given its support for LMI's agreement with Harris, they add.

Cornell recovers to £127,840

A RECOVERY in taxable profits from £23,101 to £27,840 in 1978 is reported by Cornell Dresses, on higher turnover of £1.92m against £1.57m.

In 1978, pre-tax profits were £124,888, before slumping to £28,028 the following year. In the 1978 half-year, there was a profit of £45,503 compared with a £23,583 loss.

After tax of £49,583 (£8,025), stated earnings in 1978 are shown to have risen from 0.37p to 0.20p. There is a dividend of 0.8p net per 5p share—the first payment since the 1976 interim of 0.3p. In his annual statement last year, the chairman said the Board looked forward with confidence to a speedy restoration of dividend payments.

Year starts well for Kode after 45% profits jump

AFTER AN advance of 45 per cent in pre-tax profits in 1978 Kode International has started the current year well. In the year to December 31, the group posted taxable profits from £264,408 to £1.25m on turnover well ahead at £7.52m, against £5.31m.

In the first 25 weeks the group turned in a taxable surplus of £508,035 (£402,082). Mr. Dennis Tudor, chairman, said in his interim report that the trend to a more even spread of profits throughout the year had continued, and was expected to be reflected in the remainder of the year.

Mr. Tudor says the opening order for 1979 show an increase of more than 25 per cent over those for the corresponding position in the previous year.

But he adds that the state of the market makes it difficult to predict the year's outcome. The group intends to pursue a policy of organic growth and continues to seek acquisition opportunities at home and abroad.

Treasury permission has been given to lift the final dividend to 3.406p per 25p share, and there is a supplementary dividend of 0.046p for 1977. This makes a total for the year of 5.246p, compared with 4.746p.

After tax for the year of £217,535 (£100,893) and dividends of £230,304, against £203,474, unappropriated profits are up from £260,341 to £202,142. Stated earnings per share are ahead from 19.5p to 23.7p.

Shareholders funds stayed at £3.54m (£2.58m).

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• comment

Kode's 45 per cent pre-tax profit jump is solidly based on strong growth in most operating divisions. The printed circuits subsidiary, Kam Circuits, doubled sales, while profits while Kode Ltd (computer peripheral equipment) doubled sales and lifted profits from around £200,000 to just over £300,000. Introduction of a new range of peripheral equipment took the edge off operating margins but the benefits are expected to flow through this year. Moore, Read, the electronics components manufacturer, enjoyed modest growth but faced uncertain markets—mainly military—rising materials costs and growing pressure on margins, largely from wage increases. The outlook for the current year is reasonably bright, with opening orders 25 per cent above last year's level and disruption from the bleak weather and transport strike very limited. The share jumped 5p to 194p yesterday giving a p/e of 8 and a yield of 4.1 per cent.

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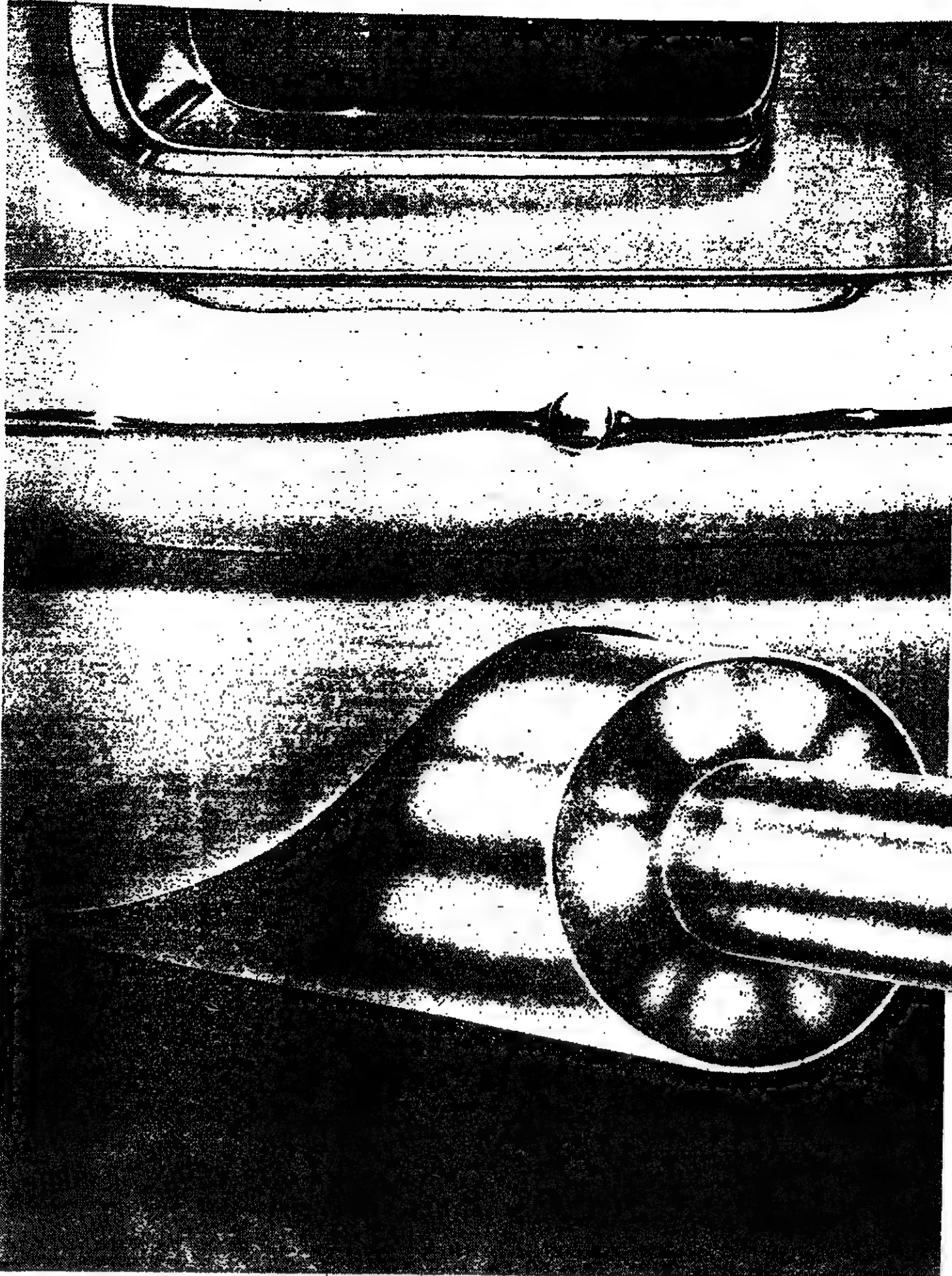
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It's a sad reflection on this modern throw-away world that we are too often prepared to buy something which is initially cheap, only to find before very long that it's nasty too.

Take exhaust systems. As you may know, they can be a source of trouble and expense. Now, for an extra cost of less than £10 on a £5,000 model, car makers could fit a stainless steel exhaust which would last five years instead of two. Think of the savings in money, inconvenience and blood-pressure this would bring.

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Write to Mike Whitecross,
BSC Stainless Marketing, PO Box 150, Sheffield S9 1TQ.

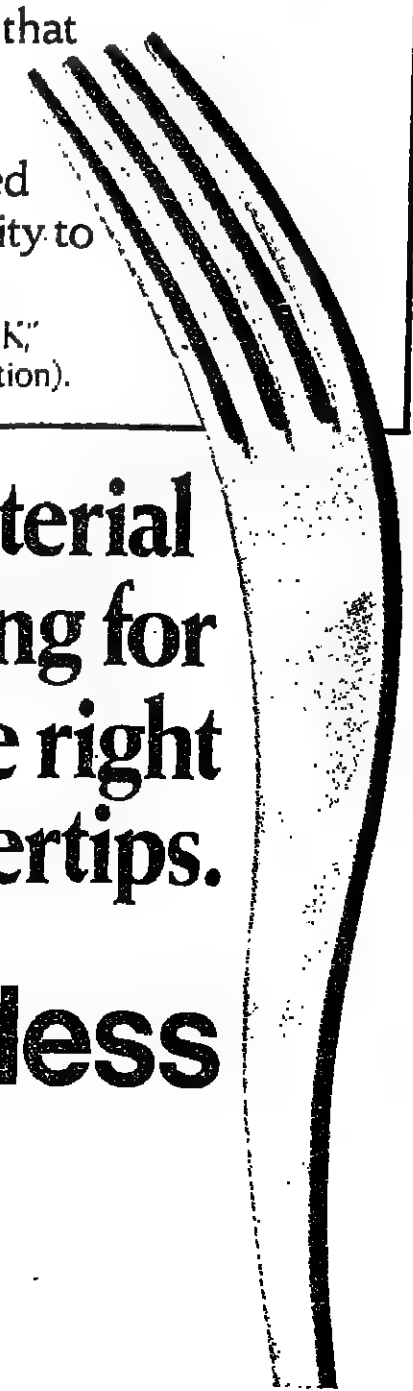
The cost of corrosion The Hoar Report* estimates Britain's losses from corrosion as costing us a horrifying three-and-a-half thousand million pounds. Much of this loss is preventable. Stainless steel is the supreme example of an existing material that must be used more fully for its superb resistance to corrosion.

And British Steel has already invested £130 million in plant to double our capacity to supply it.

*"A Survey of Corrosion and Protection in the UK," published by the D.T.I. in 1971 (figures adjusted for inflation).

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Notice of Redemption

International Standard Electric Corporation

9% Sinking Fund Debentures due 1985

NOTICE IS HEREBY GIVEN that, pursuant to the provisions of the Indenture dated as of April 1, 1970 between International Standard Electric Corporation and The Chase Manhattan Bank (National Association), as Trustee, \$4,500,000 in aggregate principal amount of the above-captioned Debentures will be redeemed for the sinking fund on April 1, 1979 at the redemption price of 100% of the principal amount thereof, together with accrued interest to April 1, 1979.

The numbers of the Debentures to be redeemed are as follows:

24	1558	2463	5234	7240	9459	11418	12587	12548	14382	15449	16456	17388	18408	19501	20454	21488	22463	23446	24520	25630	26659	27801	28732
26	1565	2472	5241	7247	9466	11425	12594	12555	14402	15569	16576	17508	18528	19621	20574	21608	22583	23566	24640	25750	26779	27921	28852
30	1572	2479	5248	7254	9473	11432	12601	12562	14449	15616	16623	17555	18575	19668	20621	21655	22630	23613	24687	25797	26826	27968	28899
34	1579	2486	5256	7261	9480	11439	12608	12569	14456	15623	16630	17562	18582	19675	20628	21662	22637	23620	24701	25811	26840	27975	28890
38	1586	2493	5263	7268	9487	11446	12615	12576	14463	15630	16637	17569	18589	19682	20635	21669	22644	23627	24711	25821	26850	27975	28890
42	1593	2500	5270	7275	9494	11453	12622	12583	14470	15637	16644	17576	18596	19689	20642	21676	22651	23634	24718	25835	26871	27975	28890
46	1600	2507	5277	7282	9501	11460	12629	12590	14477	15644	16651	17579	18599	19692	20645	21679	22654	23637	24725	25842	26885	27975	28890
50	1607	2514	5284	7289	9508	11467	12636	12597	14484	15651	16658	17586	18606	19699	20648	21686	22661	23644	24732	25849	26892	27975	28890
54	1614	2521	5291	7296	9515	11474	12643	12604	14491	15658	16665	17593	18613	19706	20651	21693	22668	23651	24739	25856	26900	27975	28890
58	1621	2528	5298	7303	9522	11481	12650	12611	14498	15665	16672	17600	18620	19713	20654	21696	22675	23658	24746	25863	26910	27975	28890
62	1628	2535	5305	7310	9529	11488	12657	12618	14505	15672	16679	17607	18627	19720	20657	21700	22682	23665	24753	25870	26920	27975	28890
66	1635	2542	5312	7317	9536	11495	12664	12625	14512	15679	16686	17614	18634	19727	20660	21707	22689	23672	24760	25877	26930	27975	28890
70	1642	2549	5319	7324	9543	11502	12671	12632	14519	15686	16693	17621	18641	19734	20663	21714	22696	23679	24767	25884	26940	27975	28890
74	1649	2556	5326	7331	9550	11509	12678	12639	14526	15693	16700	17628	18648	19741	20666	21721	22703	23686	24774	25890	26950	27975	28890
78	1656	2563	5333	7338	9557	11516	12685	12646	14533	15700	16707	17635	18655	19748	20669	21728	22710	23693	24781	25897	26960	27975	28890
82	1663	2570	5340	7345	9564	11523	12692	12653	14540	15707	16714	17642	18662	19755	20672	21735	22717	23700	24788	25904	26970	27975	28890
86	1670	2577	5347	7352	9571	11530	12699	12660	14547	15714	16721	17649	18669	19762	20675	21742	22724	23707	24795	25910	26980	27975	28890
90	1677	2584	5354	7359	9578	11537	12706	12667	14554	15721	16728	17656	18676	19769	20678	21749	22731	23714	24801	25920	27000	27975	28890
94	1684	2591	5361	7366	9585	11544	12713	12674	14561	15728	16735	17663	18683	19776	20681	21756	22736	23719	24808	25930	27010	27975	28890
98	1691	2598	5368	7373	9592	11551	12720	12681	14568	15735	16742	17670	18690	19783	20684	21763	22743	23726	24815	25940	27020	27975	28890
102	1698	2605	5375	7380	9599	11558	12727	12688	14575	15742	16749	17677	18697	19790	20687	21770	22750	23733	24822	25950	27030	27975	28890
106	1705	2612	5382	7387	9606	11565	12734	12695	14582	15749	16756	17684	18707	19800	20690	21777	22757	23740	24829	25960	27040	27975	28890
110	1712	2619	5389	7394	9613	11572	12741	12702	14589	15756	16763	17691	18714	19807	20693	21784	22764	23747	24836	25970	27050	27975	28890
114	1719	2626	5396	7401	9620	11579	12748	12709	14596	15763	16770	17698	18721	19814	20696	21791	22771	23754	24843	25980	27060	27975	28890
118	1726	2633	5403	7408	9627	11586	12755	12716	14603	15770	16777	17705	18728	19821	20699	21798	22778	23761	24850	25990	27070	27975	28890
122	1733	2640	5410	7415	9634	11593	12762	12723	14610	15777	16784	17712	18735	19828	20702	21805	22785	23768	24857	26000	27080	27975	28890
126	1740	2647	5417	7422	9641	11600	12769	12730	14617	15784	16791	17719	18742	19835	20705	21812	22792	23775	24864	26010	27090	27975	28890
130	1747	2654	5424	7429	9648	11607	12776	12737	14624	15791	16798	17726	18749	19842	20708	21819	22799	23782	24871	26020	27100	27975	28890
134	1754	2661	5431	7436	9655	11614	12783	12744	14631	15798	16805	17733	18756	19849	20711	21826	22807	23789	24878	26030	27110	27975	28890
138	1761	2668	5438	7443	9662	11621	12790	12751	14638	15805	16812	17740	18763	19856	20714	21833	22814	23796	24885	26040	27120	27975	28890
142	1768	2675	5445	7450	9669	11628	12797	12758	14645	15812	16819	17747	18770	19863	20717	21840	22821	23803	24892	26050	27130	27975	28890
146	1775	2682	5452	7457	9676	11635	12804	12765	14652	15819	16826	17754	18777	19870	20720	21847	22828	23810	24899	26060	27140	27975	28890
150	1782	2689	5459	7464	9683	11642	12811	12772	14659	15826	16833	17761	18784	19877	20723	21854	22835	23817	24906	26070	27150	27975	28890
154	1789	2696	5466	7471	9690	11649	12818	12779	14666	15833	16840	17768	18791	19884	20726	21861	22840	23824	24911	26080	27160	27975	28890
158	1796	2703	5473	7478	9697	11656	12825	12786	14673	15840	16847	17775	18800	19891	20729	21868	22847	23831	24918	26090	27170	27975	28890
162	1803	2710	5480	7485	9704	11663	12832	12793	14680	15847	16854	17782	18807	19902	20732	21875	22854	23838	24925	26100	27180	27975	28890
166	1810	2717	5487	7492	9711	11670	12839	12800	14687	15854	16861	17789	18814	19909	20735	21882	22861	23849	24932	26110	27190	27975	28890
170	1817	2724	5494	7499	9718	11677	12846	12807	14694	15861	16868	17796	18821	19916	20738	21889	22868	23856	24939	26120	27200	27975	28890
174	1824	2731	5501	7506	9725	11684	12853	12814	14701	15868	16875	17803	18828	19923	20741	21896	22875	23863	24946	26130	27210	27975	28890
178	1831	2738	5508	7513	9732	11691	12860	12821	14708	15875	16882	17810	18835	19930	20744	21903	22882	23870	24953	26140	27220	27975	28890
182	1838	2745	5515	7520	9739	11698	12867	12828	14715	15882	16889	17817	18842	19937	20747	21910	22889	23877	24960	26150	27230	27975	28890
186	1845	2752	5522	7527	9746	11705	12874	12835	14722	15889	16896	17824	18849	19944	20750	21917	22896	23884	24967	26160	27240	27975	28890
190	1852	2759	5529	7534	9753	11712	12881	12842	14729	15896	16903	17831	18856	19951	20753	21924	22903	23891	24974	26170	27250	27975	28890
194	1859	2766	5536	7541	9760	11719	12888	12849	14736	15903	16910	17838	18863	19958	20756	21931	22910	23902	24981	26180	27260	27975	28890
198	1866	2773	5543	7548	9767	11726	12895	12856	14743	15910	16917	17845	18870	19965	20759	21938	22917	23909	24990	26190	27270	27975	28890
202	1873	2780	5550	7555	9774	11733	12902	12863	14750	15917	16924	17852	18877	19972	20762	219							

Witter expects good year despite haulage strike

FTER A good start to the current year Thomas Witter and Co. the floor and wall covering manufacturer, was hit by the haulage strike, says Mr. Bowser, chairman, in his annual report.

The firm's mill at Heapey was closed for the duration of the strike, and other factories for shorter periods.

Mr. Bowser says that there is a serious loss of production which cannot be made good. However, he looks forward to a better year.

He adds that the returns from the subsidiaries are still satisfactory. Last year the trading profits of UK companies totalled £1.76m, and that of overseas operations £39,000.

Every effort is being made to ensure improvements, says Mr. Bowser. Production in Australia is ceased, and as announced at the time, the assets of the Australian subsidiary are to be sold, but the company will still promote the group's products in that country.

Because of this disposal, Jamundi World Corporation (JWC) has disposed of its shareholding in the group, and its mines have resigned from the Board.

As previously reported in the year to November 30, 1978, the company raised taxable profits from £878,387 to a record £1,571,155, also a record £238,500, and £22m.

Mr. Bowser says the record profits and sales were due to higher productivity and new development in manufacturing.

All products returned increased profits, and the group is continuing to look for new sites at home and abroad.

BOARD MEETINGS

The following companies have notified dates of Board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividend proposals. Dividends are not available as to whether dividends are maxima or minima and the sub-divisions shown below are based mainly on last year's results.

TODAY

Interim—Gallagher, Brindley, Hunt and Moscrop (Middleton), Staffordshire Pottery, Stockdale, Strong and Fisher, United City Merchants.

Final—Carr, Davies and Metcalfe, Dark Crouch, File Forge, Goode Current and Murray, Harris and Sheldon, Lee Service, New Equipment, Royal Dutch Petroleum, W. N. Sharpe, Shell Transport and Trading, Tappin, Rutledge, Transport Development, Unice.

FUTURE DATES

Interim—Green (R.), Properties Mar. 16
Nelson David Mar. 12
Parker Timber Mar. 12
Ranong Tim Dredging Mar. 12
Wombwell Foundry and Eng's Mar. 28

Final—Britannic Assurance Mar. 16
Crownright (R.) Mar. 16
Church Mar. 12
Dixor Mar. 12
General Mining and Finance Mar. 13
Hiltons Footwear Mar. 10
Lambert Howarth Mar. 29
Leyland Paint and Wallpaper Mar. 29
Morgan Crucible Mar. 16
Noble and Land Mar. 16
Pantos Mar. 12
Robinson (Thomas) Mar. 14
Rough Entries Mar. 12
Tate of Leeds Mar. 19
Zenith Carbuenter Mar. 27

to bring its articles into line with modern practice. It also proposes to change the rights of preference shares because in some respects they are out of line with those of modern preference shares. The proposals include an increase in the effective dividend rate from 4.9 per cent to 5.25 per cent.

£23,000 loss for Westwood Dawes & Co.

PRE-TAX loss at Westwood Dawes and Company, structural and mechanical handling engineering concern, deepened to £20,003, against a surplus of £76,531, in the second half of 1978. Full-time deficit amounted to £23,453 compared with a profit of £114,122 and there is no dividend. For the previous year 3.441p net per 25p share was paid.

After a tax credit of £13,880 (£87,928 charge), the loss per share emerged at 0.76p (earnings 4.46p).

In August the directors said that investment by traditional customers in the steel and quarrying industries was at a low level and the company had been obliged to continue taking alternative work in a highly competitive market. Reporting a £3,453 loss (£37,591 profit) for the first half, they warned that they did not anticipate recovery by year-end.

BP Canada shows fall to \$65m

LOWER MARGINS on refined products, only partly offset by better returns from resource operations, cut the pre-tax income of BP Canada from \$72.2m to \$65.1m in 1978 on gross sales and services up \$105.1m to \$842.3m.

After tax of \$27.8m (\$31.5m) net income was 7.5 per cent lower at \$37.3m against \$40.3m, equivalent to a fall of 14 cents to \$1.77 per common share.

Prices for refined products, however, strengthened during the last few months of the year and this improvement has been maintained in 1979.

A quarterly dividend of 13 cents is to be paid on April 18.

Gross production of crude oil and natural gas liquids averaged 30,464 barrel a day in 1978—a decline of 7.5 per cent—reflecting the phasing out of exports. Natural gas production at 110m cubic feet a day was 11 per cent down as customers were unable to accept all the gas they had contracted to buy. Sales of refined products were 3.2 per cent up at 111,011 barrels a day.

Recovery to over £0.65m by Exchem

A TURNROUND from losses of £43,806 to pre-tax profits of £53,570 is reported by Exchem Holdings for the year ended September 30, 1978 and Mr. P. M. L. J. Chatelet de Brancion, the chairman, says there should be a further improvement in the current year.

Members are told in his annual statement that this will be principally attributable to the trading of Thames Nitrogen Company, which was able to resume its operations in March, 1978 and reach full production by January this year.

External sales of this unquoted concern improved from £14.18m to £15.86m for the 1977-78 year, while attributable profits emerged at £397,331 compared with the previous year's £538,485 deficit.

After a one year absence, dividends are resumed with a 1.68p per ordinary 50p share and 0.8851p per 10p deferred share, costing £36,786.

Sales and operating profits, £530,412 (£587,514 losses) were split divisionally as to: mining and engineering products, £13.29m (£10.45m) and £1,103,288 (£1,098,194), and fertilisers and food products, 2.57m (£3.73m) and losses of £552,515 (£1,683,705).

During the year, the group arranged with its bankers a new medium term loan, which will enable it to consolidate its borrowings and embark on a programme of expansion.

At the year-end, group fixed assets stood at £3.6m (£3.63m), investments totalled £0.28m (£0.18m) and net current assets, £1.41m (£1.1m).

A statement of source and application of funds shows a total inflow of funds at balance date of £1.18m (£0.14m outflow).

Meetings: 30 Curator Street, EC, March 30, 11 am.

12.3% rise at Cockburn Cement

Sales tonnage fell in 1978 at Cockburn Cement, the 88 per cent owned Rugby Portland Cement Company's Australian subsidiary. However, mainly because of lower interest charges, profit improved by 12.3 per cent from \$A5.52m (£3.06m) to \$A6.21m (£3.47m). Turnover was marginally up at \$A30.07m (£16.8m) against \$A29.57m (£16.52m).

Mr. Maurice Jenkins, the chairman, says that the building and construction industry in Western Australia was particularly dull during the second half but there are now signs of recovery in some sectors of the market. Accordingly, the directors are confident that 1979 will be a better year for manufacturers of building materials.

The erection of the new lime plant is on schedule and commissioning should take place in June. The new plant should lead to the company operating more economically but initially interest and depreciation charges will be off-setting factors.

The net total dividend is maintained at 7 cents on increased capital by a 4.76p final, and costs \$A2.1m (\$A1.4m).

Tax took \$A2.7m (\$A2.6m) leaving net profit ahead from \$A2.92m to \$A3.51m. There was an extraordinary gain on sale of land last time of \$A39,000.

Updown Inv. paying 1.3p

The gross revenue of Updown Investment Company rose slightly from £151,384 to £158,559 in 1978. Net asset value per 25p share is shown ahead from 60p to 64p.

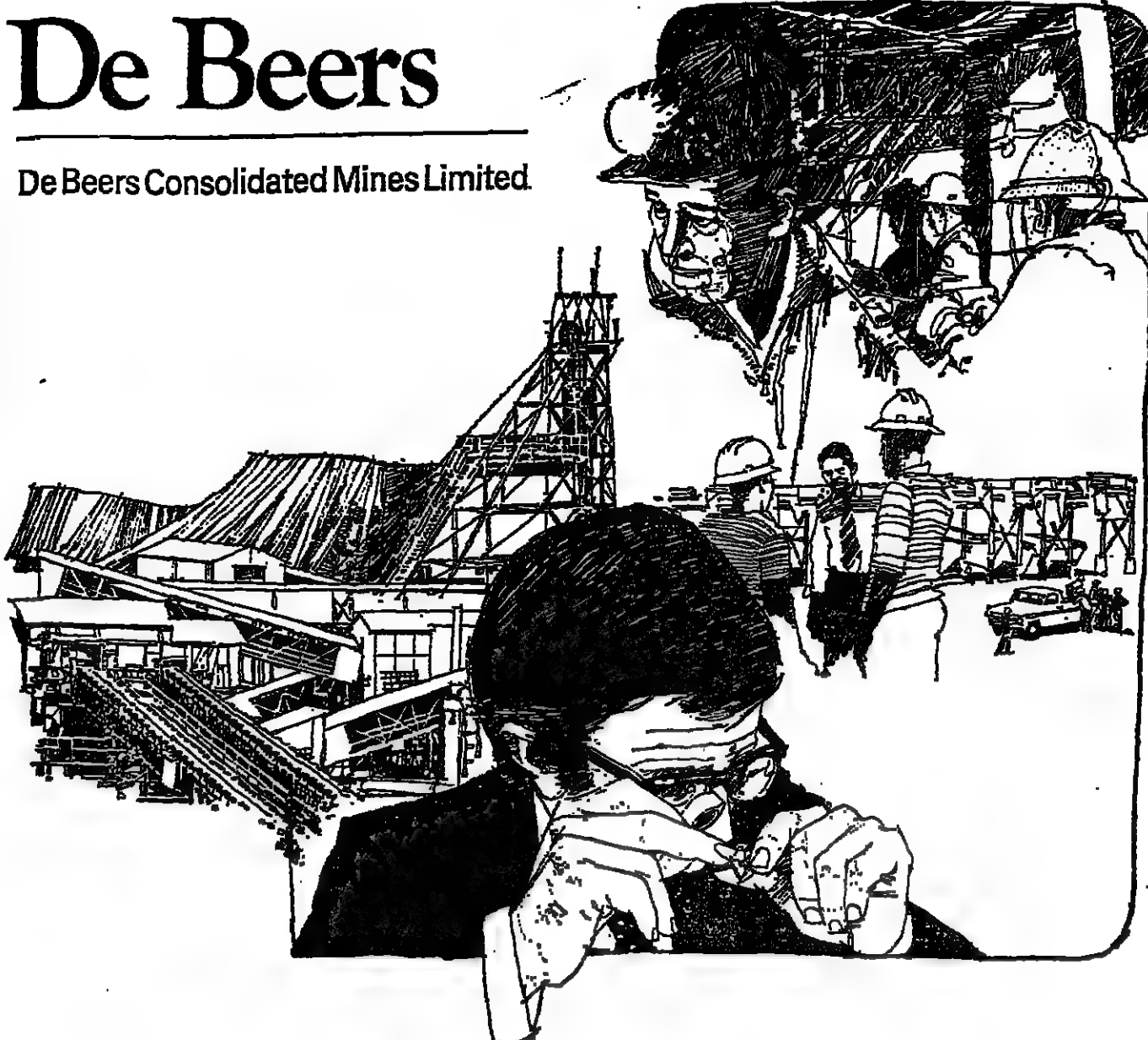
The net dividend is 1.3p, following a forecast of not less than 1.25p. In 1977, the trust paid 1.75p.

Cazenove and Company at the time of its offer (on behalf of clients) early last year said that the investment policy would be primarily concerned with the capital value of the investment portfolio, and it would therefore not be possible to maintain the dividend rate.

Expenses for the year take £10,886 (£13,381), debenture interest £14,300 (£18,000), and tax £50,218 (£44,483). There are exceptional costs this time of £20,255.

De Beers

De Beers Consolidated Mines Limited



Provisional Annual Financial Statements and Declaration of Dividend

The following are unaudited abridged versions of the consolidated financial statements for the year ended 31st December 1978, together with comparative figures for the year ended 31st December 1977, which should be read in conjunction with the subjoined notes.

Consolidated income statement				Consolidated balance sheet			
	1978 R'000	1977 R'000		1978 R'000	1977 R'000		
Diamond account	956 389	734 765	Issued share capital:				
Interest and dividend income	234 123	169 079	Preference shares	3 978	3 978		
Other revenue	29 114	22 470	Second preference shares	2 867	2 867		
Surplus on realisation of fixed assets	246	67	Deferred shares	17 989	17 989		
	1 219 872	926 381		24 834	24 834		
Deduct:			Non-distributable reserves	214 791	176 478		
Prospecting and research	29 385	25 834	Distributable reserves	1 702 649	1 253 039		
General charges	28 661	18 879		1 942 274	1 454 351		
Interest payable	4 461	3 618	Less: Excess of cost of shares in subsidiary companies over book value of net assets at dates of acquisition	24 824	27 572		
Amounts written off investments less surplus on realisation of investments	899	6 313		1 917 450	1 426 779		
	63 406	54 664	Outside interests in subsidiary companies	75 351	72 070		
Group profit before tax	1 156 466	871 717	Long-term liabilities	70 850	40 886		
Deduct:			Current liabilities	645 160	527 099		
Taxation and State's share of profits under mining leases	405 887	298 197		2 708 811	2 066 834		
Group profit after tax	750 579	573 520	Fixed assets:				
Deduct:			Claims, mining interests and property	94 196	72 205		
Outside interests in subsidiary companies	9 339	10 174	Plant, permanent works and buildings	51 177	42 127		
Group profit after tax attributable to De Beers Consolidated Mines Limited	741 240	563 346	Unlisted trade investments	80 211	56 195		
Appropriations:				225 584	170 527		
Transfers to reserves	377 452	191 858	Diamond stocks	34 876	26 888		
Preference dividends	1 821	1 821	Diamond stocks	255 630	220 745		
Deferred dividends — 65 cents per share (1977: 52.5 cents)	238 863	188 889	Listed investments	417 717	395 489		
	618 136	382 568	(Market value R 817 489 000 — 1977: R 812 446 000)				
	128 104	180 778	Unlisted investments	76 596	77 540		
Earnings per equity share (see note)	205.5 cents	156 cents	(Directors' valuation R 186 558 000 — 1977: R 130 101 000)				
			Long-term loans	69 046	72 425		
			Loan portion of tax	95 245	73 915		
			Cash	1 294 898	683 147		
			Other current assets	239 219	346 158		
				2 708 811	2 066 834		

Notes:

The method of accounting for expenditure on mining assets has been changed, and capital expenditure for the purpose of maintaining an existing mining facility or capacity has been charged against the diamond account. Full details of the change in policy will be contained in the annual report.

Diamond export duty, which has hitherto been deducted from the diamond account, is now treated as part of the tax charge. To facilitate comparison the 1977 consolidated financial statements have been restated above to illustrate the position that would have obtained had these changes in policy occurred in that year.

Directorate

Mr. G. W. H. Rely was appointed a director of the Company on 18th December 1978, and Mr. F. M. Hodgson was appointed a director on 6th March 1979 in place of Mr. A. S. Hall who resigned from the board on that date following his retirement from active business.

Declaration of dividend No. 118 on the deferred shares

Dividend No. 118 of 45 cents per share (1977: 35 cents) being the final dividend for the year ended 31st December 1978, has been declared payable to the holders of deferred shares registered in the books of the Company at the close of business on 23rd March 1979, and to persons presenting coupon No. 62 detached from deferred share warrants to bearer. This dividend, together with the interim dividend of 20 cents per share declared on 22nd August 1978, makes a total of 65 cents per share for the year (1977: 52.5 cents). A notice regarding payment of dividends on coupon No. 62 detached from share warrants to bearer, will be published in the press by the London Secretaries of the Company on or about 16th March 1979.

The deferred share transfer registers and registers of members will be closed from 24th March 1979 to 6th April 1979, both days inclusive, and warrants will be posted from the Johannesburg and United Kingdom transfer offices on or about 26th April 1979.

Registered shareholders paid from the United Kingdom will receive the United Kingdom currency equivalent on 17th April 1979 of the rand value of their dividends (less appropriate taxes). Any such shareholders may, however, elect to be paid in South African currency, provided that the request is received at the Company's transfer offices in Johannesburg or the United Kingdom on or before 23rd March 1979.

The effective rate of non-resident shareholders' tax is 15 per cent. The dividend is payable subject to conditions which can be inspected at the head office and London office of the Company and also at the Company's transfer offices in Johannesburg and the United Kingdom.

For and on behalf of the Board
H. F. OPPENHEIMER } Directors
A. WILSON

7th March 1979

Head Office: 36 Stockdale Street, Kimberley, South Africa.
London Secretaries: Anglo American Corporation of South Africa Limited, 40 Holborn Viaduct, London EC1P 1AJ.
Transfer Secretaries: Consolidated Share Registrars Limited, 62 Marshall Street, Johannesburg, (P.O. Box 61051, Marshalltown, 2107)
Charter Consolidated Limited, P.O. Box No. 102, Charter House, Park Street, Ashford, Kent TN24 8EQ.

De Beers Consolidated Mines Limited

Incorporated in the Republic of South Africa

De Beers Industrial Corporation Limited

(Incorporated in the Republic of South Africa)
PROVISIONAL ANNUAL FINANCIAL STATEMENTS AND DECLARATION OF DIVIDENDS

The following are unaudited abridged versions of the consolidated financial statements for the year ended 31st December 1978, together with the comparative figures for the year ended 31st December 1977.

CONSOLIDATED INCOME STATEMENT		1978 R'000	1977 R'000
Dividends, interest and sundry revenue		14 841	13 843
Less: General expenses		238	126
Profit before tax		14 403	13 718
Tax		247	228
Profit after tax		14 156	13 488
Appropriations:			
Transfer to general reserves	1 300	1 000	
Dividends:			
On preference shares	1 848	2 237	
On ordinary shares—82.5 cents per share (1977: 75 cents)	11 344	14 592	10 313
		14 592	13 580
Unappropriated profit 31st December 1977		(436)	(83)
Unappropriated profit 31st December 1978		1 297	1 359
Earnings per share		88.5 cents	83.8 cents

Earnings per share for 1977 is based on earnings of R11 840 000 arrived at after deducting preference dividends of R110 000 and allowing for second preference dividends of R1 838 000 for that year.

CONSOLIDATED BALANCE SHEET		1978 R'000	1977 R'000
Issued share capital:			
Preference shares		17 000	17 000
Ordinary shares		27 500	27 500
		44 500	44 500
Non-distributable reserves		18 520	18 520
Distributable reserves		21 861	20 997
Current liabilities		6 365	5 841
		81 246	89 858
Investments:			
Listed		20 792	20 792
Market value R81 535 000 (1977: R68 432 000)			
Unlisted		29 099	29 099
Directors' valuation R123 302 000 (1977: R79 638 000)			
Loans		35 398	57 032
Loan portion of tax		119	255
Current assets		4 336	2 680
		91 246	89 858

DIVIDENDS

Dividend No. 57 on the Ordinary Shares

Dividend No. 57 of 45 cents per share (1977: 40 cents) being the final dividend for the year ended 31st December 1978, has been declared payable to the holders of ordinary shares registered in the books of the Corporation at the close of business on 23rd March 1979. This dividend, together with the interim dividend of 37.5 cents per share declared on 22nd August 1978, makes a total of 82.5 cents per share for the year (1977: 75 cents).

Dividend No. 70 on the 5.5 per cent preference shares

Dividend No. 70 of 2.75 per cent, equivalent to 5.5 cents per share in respect of the six months ending 31st March 1979, has been declared payable to the holders of 5.5 per cent preference shares registered in the books of the Corporation at the close of business on 23rd March 1979.

Dividend No. 5 on the 12.25 per cent cumulative redeemable preference shares

Dividend No. 5 at the rate of 12.25 per cent per annum, equivalent to 6.125 cents per share in respect of the six months ending 30th April 1979, has been declared payable to the holders of cumulative redeemable preference shares registered in the books of the Corporation at the close of business on 23rd March 1979.

For the purposes of these dividends the share transfer registers and registers of members will be closed from 24th March 1979 to 6th April 1979, both days inclusive. Warrants will be posted from the Johannesburg and United Kingdom transfer offices on or about 26th April 1979. Registered shareholders paid from the United Kingdom will receive the United Kingdom currency equivalent on 17th April 1979 of the rand value of their dividends (less appropriate taxes). Any such shareholders may, however, elect to be paid in South African currency, provided that the request is received at the Corporation's transfer offices in Johannesburg or the United Kingdom on or before 23rd March 1979.

The effective rate of non-resident shareholders' tax is 15 per cent. The dividends are payable subject to conditions which can be inspected at the head office and London office of the Corporation and also at the Corporation's transfer offices in Johannesburg and the United Kingdom.

For and on behalf of the Board
H. F. OPPENHEIMER } Directors
A. WILSON

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UK COMPANY NEWS

BIDS AND DEALS

Guthrie paying
33% more

A profit rise of 50 per cent and a dividend increase of 33 per cent are forecast by the Guthrie Corporation in its revised bid.

The proposed net dividend for 1979 is forecast at 25p per share making for a prospective yield of 8 per cent on Sime's 24p per share cash offer. Guthrie points out that the yield on the FT Actuaries All Share Index is 33 per cent less and that an investor having to pay capital gains tax on acceptance of Sime's offer would receive an even lower income.

The board forecasts pre-tax profits of £50m for 1979 against the £20.5m estimated for 1978. Profits from manufacturing and trading are expected to double to £12m before interest. The overall profit will be at a record level for the fourth year running, says Guthrie. The 1978 forecast will be 306 per cent of the level achieved in 1974. Guthrie therefore claims to have a "pedestrian" and "indifferent" performance.

On the question of asset value, Guthrie reveals that in recent weeks, a firm offer has been received for two estates totalling over 8,000 acres at a price 11 per cent above the valuation commissioned by Guthrie itself. The Board promises share-

holders a booklet called "The Future of Guthrie" indicating the potential of the group into the 1980s. "1979 is no more than the first instalment in a further period of considerable growth," according to Guthrie's chairman, Mr. M. J. Gent.

The Sime cash repaid yesterday that the promises made by Guthrie had all been expected and had been taken into account by Sime in arriving at the revised offer. The dividend payments were looking right through to 1980, and the profit forecast to the end of this year, said Mr. John MacArthur of Kleinwort Benson, advisers to Sime. This was "crystal ball stuff," he commented.

Mr. MacArthur also confirmed that Sime is to bring forward the date of the EGM to the bid. The date will be March 26. This will enable Sime to buy more than the 30 per cent of Guthrie already purchased. More shares would be acquired if necessary to make the bid unconditional, he said.

M and G Investment Management yesterday purchased 51,000 Guthrie shares at 51.4p. Funds under the management of M and G now own 3,357,457 shares in Guthrie (11.89 per cent). The larger holding of over 13 per cent reported earlier this week was incorrect because it erroneously included shares held in Guthrie Ltd.

Johnson-Richards accused
of misleading statements

Mr. John Sheffield, chairman of Norcor, yesterday sharply criticised Mr. Alec Done, his counterpart at M. and R. Johnson-Richards, for making misleading statements about the Norcor takeover offer for the life concern.

In a letter to Johnson-Richards shareholders, Mr. Sheffield said that he felt it necessary to comment "on certain of the inaccuracies and misleading statements."

He confirmed that London Brick and other Johnson-Richards shareholders—controlling a 28.8 per cent stake—had accepted the Norcor offer although Mr. Done had seemed to doubt support for the offer from these long-standing and substantial shareholders.

He added that Mr. Done was a trustee for a further 3.5 per cent family stake in Johnson-Richards and had been instructed to accept the Norcor bid in respect of this holding. Mr. Sheffield said that Mr. Done has given a misleading comparison of performance, taking as a starting point a year in which pre-tax profits of Johnson-Richards and Armitage Shanks had fallen substantially. As a result, for Johnson-Richards and Armitage Shanks, Mr. Done has portrayed as growth what is in reality largely recovery.

He described the proposal to merge the Armitage and Johnson-Richards businesses as a "hostile" takeover, a view the merger which has already been discredited by the low level of acceptance from shareholders.

GEI CHIEF URGES
ACCEPTANCE

Mr. Thomas Kenny, chairman of GEI, has again written to shareholders of Moss Engineering urging them to accept his company's latest offer for Moss.

He says that the Moss forecast of annual pre-tax profits of £900,000 was near to his own company's estimate. However, even this had only confirmed GEI's belief that it was offering the right price. He said that the offer took full account of Moss's recovery and potential.

Meanwhile, the offer for Moss's fight against the offer has come from union officials at two of the company's subsidiaries in

ICFC AID FOR
COMPUTER COMPANY

Technical Development Capital, a subsidiary of Industrial and Commercial Finance Corporation, has provided a £75,000 loan for the computer software house Micro Focus.

The company will be using the finance as working capital for a one-year expansion programme. Last year 90 per cent of the sales of CIS COBOL were exports and a substantial proportion of this went to the U.S.

UNIFLEX SHARE
TRANSFER

Mr. D. B. Thompson has transferred 1,392,490 ordinary shares in Uniflex Holdings to Hilldown Holdings, a private company of which he owns approximately 90 per cent.

As a result Hilldown now owns 1,392,490 ordinary shares in Uniflex (54.6 per cent).

FINANCE AND
INDUSTRIAL

The proposed purchase of Gillingham Property by Finance and Industrial Trust will not take place. Gillingham is unable to comply with the terms and conditions required under the agreement dated December 14.

J. LITHGOW (UK)

Ensocon—a Newton Chambers Engineering subsidiary—has acquired James Lithgow (UK) and its subsidiary, Wolsley Holdings, specialists in heat exchanger design, for £185,000 cash.

LOUIS EDWARDS

The offer on behalf of Gulliver Foods for the capital of Louis C. Edwards and Sons (Manchester) not previously owned, has closed, with acceptances amounting to 1,578 Edwards shares (0.81 per cent).

The offer was made in order to comply with the provisions of the City Code.

Crusader Insurance lifts
reversionary bonus

RATES of reversionary bonus have been lifted to record levels for 1979 by the Crusader Insurance Company, a member of the C. T. Bowring Group. On whole life policies, the rate is lifted to £4.50 per cent of the sum assured and attaching bonuses from £4.60 per cent in 1977, while for endowment assurances, the new rate is £4.70 per cent compound, compared with £4.50 per cent previously.

The company is, however, leaving its terminal bonus rates, payable on death or maturity, unchanged for the 11th successive year at £1 per cent of the sum assured and accrued bonuses for each year in force. On self-employed deferred annuities, the reversionary bonus rate is advanced to 25 per cent of the basic benefit and attaching bonuses against £4.50 per cent in 1977, with the terminal bonus being maintained at £1 per cent of the pensions and accrued bonuses for each complete year. In addition, a variable bonus, calculated on the total benefits acquired, including bonuses, would be payable—the amount depending on the immediate annuity rates at the time the pension starts.

The reversionary bonus rates on the Flexible Pension and the Senior Pension contracts are both improved by 20p to £5.10 per cent and £5 per cent compound respectively, with the terminal bonus rate kept at £1 per cent of total benefits for each year in force.

Record levels of reversionary bonus have also been declared by National Mutual Life Assurance Society covering the two years ending December 31, 1978. On whole life (new series) and

endowment assurances, the rate is lifted to £4.30 per cent per annum of the sum assured and attaching bonuses against £4.20 per cent at the previous declaration. On self-employed pension policies, the bonus rate is improved by 20p to £5.40 per cent per annum of the basic benefit and attaching bonuses and by the same amount to £5.40 per cent per annum compound on individual pension arrangements. The bonus rate for group pensions funding contracts is advanced by 10p to £4.10 per cent per annum compound.

The company announced an unchanged final bonus rate in December of 30 per cent of attaching bonuses. This bonus rate, paid on death or maturity claims, is reviewed at six-monthly intervals. Mr. K. F. Hazell, the actuary of National Mutual, said these new bonus levels reflected the increased profitability of the Society's operations which had resulted from a general improvement in administrative efficiency and a carefully balanced portfolio of ordinary assurance business between with-profit and non-profit contracts.

LEE VALLEY

Dealings started yesterday in Lee Valley Water Company's 8 per cent redemption preference stock 1988. The stock, £10 paid, opened at a two point premium and closed at a premium of 21 points.

BURCO DEAN

Burco Dean announces that acceptances received in respect of the recent rights issue, total

MINING NEWS

Nabarlek uranium now
gets the go-ahead

BY KENNETH MARSTON, MINING EDITOR

THE Australian Government has now approved the development of the Nabarlek uranium deposit in the Northern Territory. Mr. Doug Anthony, the Federal Trade and Resources minister added yesterday that the company will have to comply with some legal and administrative requirements before work at the relatively small, but high grade, deposit can start.

Nabarlek is estimated to contain some 10,500 short tons of uranium oxide at an average grade of 25 lbs per ton. Queensland Mines has long-standing contracts to supply 3,730 short tons of uranium oxide to two Japanese power utilities in the period 1977-88 and in order to meet them it has been borrowing from the Australian Atomic Energy Commission stocks.

The company recently warned that because of the delays in receiving the Government approval for a mining go-ahead it might have to raise funds from

shareholders. However, the directors stated that this would only be done "if absolutely necessary."

● COMMENT

Nabarlek is the second Australian uranium deposit in the Northern Territory to get the go-ahead in the country's slow footstep to become a major producer of uranium. While Australia has procrastinated, other suppliers have been snapping up uranium contracts at high prices which are now tending to level off. A major competitor in the near future will be Canada with its big uranium finds in Saskatchewan. In November, Mr. Anthony admitted that Australia had probably lost some uranium market opportunities but added that it was better to start than not at all. "I think we'll get our share of the market," he said, hopefully. The first of the Northern Territory deposits to be given federal Government

go-ahead was the bigger AS300m (£167m) Ranger deposit of Peko-Wallsend and EZ Industries owned in partnership with the Commonwealth Government. Ranger, however, is not expected to reach production until about three years' time whereas it is hoped that Nabarlek will require only two years to come on stream. Of the country's other potential producers of uranium, Western Mining's Yeallirrie venture in Western Australia has taken a step forward with the recent news that it has obtained environmental clearance from the State Government. Still struggling to cross the environmental hurdle are the other hopefuls in the Northern Territory, Noranda's Koongarra and the big Jabiruka deposits of Pancontinental and Getty Oil. The Nabarlek go-ahead news stimulated the shares of Pancontinental yesterday, which jumped 75p to 95p (they touched 115 last year). There is no London market in those of Queensland Mines.

Another Selangor tin deal

AFTER signing joint venture agreements with Berjuntai Tin and Pacific Tin Consolidated over the past two days, Kumpulan Perangsang Selangor (KPS), the mining arm of the Selangor State Government has announced yet another agreement—this time with Brooklands Rubber Estate to acquire 4,200 of rich tin-bearing land, reports Woong Sulong from Kuala Lumpur.

Brooklands Estate, which has 5,781 acres planted with rubber and oil palm in the Kuala Langat district, is a wholly-owned subsidiary of the British-registered Plantation Holdings, which in turn is 64.4 per cent owned by the Malaysian Multi-Purpose Holdings.

Under the agreement, KPS will be acquiring the 4,200 acres of Brooklands at M\$4,000 (£800) per acre on a piece-meal basis as and when the land is required for mining purposes. Payment is to be made at the time of acquisition and the first acquisition is expected in two years.

The acreage covering Brooklands forms part of the 7,000 acres prospecting by Charter Consolidated in the early 1970s, and which forms part of the 40,000 acres in the Kuala Langat district believed to contain the world's largest tin reserves.

However the reserves are low grade, and lie deeply between 200 feet and 400 feet. Exploitation would require very expensive and sophisticated technology, not used in Malaysian tin mining so far, and it is estimated that it would require at least M\$200m to develop the field.

Charter's interest is now represented by Malaysian Mining Corporation (in which it has a 29 per cent equity) and MMC is currently negotiating with

KPS on the Kuala Langat venture.

KPS officials disclosed yesterday that an agreement with MMC on the Kuala Langat project is expected to be signed soon, and the first of the three giant dredges which will work the area, is expected to begin production in three years time.

Sam Goosly to
be started

CANADA'S Placer Development and Equity Silver Mines have decided to place into production the Sam Goosly silver-copper-gold property of equity near Houston in northern British Columbia. The 70 per cent of Equity's issued shares and is responsible for the project, reports John Sogahian from Toronto.

Mineable ore reserves are estimated at 28m tonnes grading an average 106.3 grammes per tonne silver, 0.384 per cent copper and 0.86 grammes gold. Full production is scheduled for October next year and the projected annual rate, taken on an average for the first five years, is: silver 177,000 kg, copper 6,400 tonnes, gold 240 kg and antimony 1,700 tonnes. Concentrates will be sold to foreign smelters.

The cost of the project is put at C\$85m (£35.5m). Initially, funds will be provided by Placer using its own resources to purchase Redeemable Preferred shares issued by Equity.

NEW PORTUGUESE
LINK FOR BERALT

Sociedade Portuguesa Empreendimentos S.A. (SPE) is to take a 19.5 per cent share in Minas de Borralha, the wolfram mining

concern being purchased by Beralt Tin and Wolfram.

This is disclosed in a letter to Beralt shareholders, published today, setting out the formal terms of the company's acquisition of Borralha. The acquisition was first announced last July, when it was stated that the cost would be about FFR 15m (£1.5m).

SPE is paying cash for its stake, an amount equivalent to 19.5 per cent of Beralt's costs of acquiring Borralha.

Borralha is in the middle of an expansion plan to bring production up to 360 tonnes of 70 per cent wolfram concentrate a year by 1980. A technical report, attached to the shareholders' letter, states that Borralha ore reserves are adequate for four years' production at the expanded rate of output. But mineralisation at the mine extends deeper, although no drilling has been done to quantify the extension. Beralt is registered in London and has a Portuguese operating company. It is 48.3 per cent owned by Charter Consolidated.

DU PONT LIFTS
ENEABBA STAKE

America's El Du Pont de Nemours is to become the majority shareholder in a Western Australian mineral sands operation under proposals for the restructuring of the making rutile and zircon producer Allied Minerals. The plan involves the voluntary liquidation of Allied Minerals and the public float of its operating unit, Allied Eneabba which now owned 60 per cent of the mine.

If the proposal is implemented, Du Pont will hold 58.48 per cent of the listed Allied Eneabba and the present public shareholders of Allied Minerals will hold 41.52 per cent.

OIL AND GAS NEWS

Vietnam offshore well abandoned

THE FIRST exploratory well drilled offshore Vietnam in the South China Sea and plugged and abandoned following its failure to find any commercial shows of hydrocarbons.

The well, on Block 28, was drilled by a consortium of Canadian and Chinese companies, comprising of Bow Valley Industries, the operator, with 30 per cent, Siebens Oil and Gas and Westburne International Industries each with 30 per cent and Sceptre Resources, with 10 per cent.

The well was drilled in about 150 feet of water to a depth of about 5,000 feet by the semi-submersible rig Dan Queen, which will now drill a second well in Block 28, about 45km southeast of the first well.

Drilling is being conducted from a shore base established by PetroVietnam, the State-owned oil company, in Yung Tau on the Vietnamese coast about 200 miles southeast of Ho Chi Minh City.

Petrofina Canada attributes the

23 per cent decline in 1978 earnings to lower profit margins on sales of refined products and petrochemicals in the first three quarters, reports John Sogahian from Toronto.

Net income was C\$28.7m (£9.9m) or C\$3.37 per share, against C\$30.7m (£9.5m) or C\$3.07 per share in 1977. Gross revenue rose 12 per cent to C\$594m from C\$531m.

Premco Petroleum, a wholly-owned U.S. subsidiary of Britain's Premier Consolidated Oilfields, has made a new gas discovery in Erath County, Texas.

The well, which was completed on March 2 at about 3,300 feet having been drilled to a total depth of 3,577 feet and plugged back, was tested with an absolute open flow potential of 3m cubic feet per day and on test flowed at 900,000 cubic feet per day.

Premco acquired from Fred C. Mergner and Associates an 80 per cent working interest in the 1,040 acre Keith Lease in the Fort Worth Basin and is obliged

to drill two more wells in the next six months. The first well cost \$120,000 and subsequent wells will be drilled on a straight cost basis.

After payout a 25 per cent working interest will revert to Phillips Petroleum, the base lease owners so that Premco's working interest will be reduced to 60 per cent, a net revenue interest, after royalties, of 48 per cent.

At a meeting held last week, directors of Dome Petroleum passed a by-law under which the company's common shares would be split on the basis of four new shares for each present share.

The share split is subject to shareholder approval at the annual and general special meeting of shareholders to be held on May 7 and to issue the supplementary letters patent to the company confirming the by-law. It is anticipated that certificates for additional shares resulting from the split will be issued to shareholders on or about May 19.

Bedfordshire County Council is raising £5.5m by way of 12½ per cent bonds due on March 7, 1984, issued at par. It was incorrectly stated yesterday that the Council was issuing the bonds for a one-year period at 11.5 per cent.

BEDFORDSHIRE
COUNCIL

Estates Duties Investment Trust is 251,666 shares.

Centreway—George Whitehouse (Engineering) has acquired further beneficial interest in 30,000 shares making total interest 241,000 (27.4 per cent).

Stanhope General Investment—General Investors and Trustees has acquired further 10,654 shares making holding 105,654 (8.25 per cent).

BEDFORDSHIRE
COUNCIL

Bedfordshire County Council is raising £5.5m by way of 12½ per cent bonds due on March 7, 1984, issued at par. It was incorrectly stated yesterday that the Council was issuing the bonds for a one-year period at 11.5 per cent.

Forward Technology Industries—Following sale on February 26 Industrial and Commercial Finance Corporation now interested in 1,288,000 shares and

CLIVE INVESTMENTS LIMITED
1 Royal Exchange Ave., London EC3V 3LU. Tel: 01-263 1101.
Index Guide as at March 6, 1979 (Base 100 on 14.1.77)

Clive Fixed Interest Capital 148.42
Clive Fixed Interest Income 118.43

WOOLWORTH
Annual Results
Year ended 31 January 1979

	Year Ended 31 January 1979 £000s	1978 £000s
TURNOVER (including value added tax)	875,185	767,940
Deduct: Value added tax	(51,733)	(43,841)
TURNOVER (excluding value added tax)	823,392	724,099
TRADING PROFIT	54,474	58,630
Deduct: Depreciation on fixed assets	(8,475)	(7,956)
Interest paid less received	(4,834)	(5,268)
Add: Investment and rent income	1,442	1,117
Surplus on property disposals, excluding sale and leasebacks	487	257
PROFIT BEFORE TAXATION	53,104	46,780
Taxation	(12,584)	(22,135)
PROFIT AFTER TAXATION	40,520	24,645
Deduct: Foreign currency differences	(357)	(933)
Add: Extraordinary items	(781)	554
PROFIT FOR YEAR	39,382	24,266

- The increase in turnover of £107 million (14.0%) over last year has resulted in an increase of £8.3 million (13.5%) in the profit before tax. The turnover in the important fourth quarter this year was 15.8% higher than last year's level.
- This year, the Company has only made provision for deferred tax arising on short term timing differences and the comparative figure for taxation has been suitably adjusted. This year's tax charge has been favourably influenced by an increase in stock relief.
- Freehold and leasehold properties were professionally valued at 24 June 1978 on the basis of open market value for existing use and the surplus of £265.8 million, after charging valuation expenses, is added to reserves in the balance sheet at 31 January 1979.
- The future trading prospects will depend greatly upon how long the recent consumer spending level is maintained but undoubtedly the country's economic climate would appear to be now less certain and higher inflation a real prospect. The Company is well placed on stock availability to cater for any increase in its market share as a result of a switch by consumers to credit in conditions of firmer monetary control.
- The Directors are proposing a final dividend for the year of 3.245p (1978 2.95p) per stock unit.

The figures shown and the result for the year are not readily translated into U.S. terms due to the required application of U.S. accounting principles.

BLUNDELL-PERMOGLAZE

Holdings Limited

Record results
justify earlier
confidence

N.G. Bassett-Smith C.V.O. Chairman,
reports on another successful year:

- Pre-tax profits up 5796 to £1,780,156
- Treasury reject application for further dividend increase despite in recent years the Group trebling trading profit and quadrupling exports, but we are still pressing our case
- Volume sales comfortably ahead of the industry's performance
- Exports again advanced on last year's record achievement

At the Annual General Meeting held on 7th March 1979, the Chairman said:—
"The tremendous team spirit throughout the Company mitigated the problems imposed on us from outside by the lorry drivers' strike. We were greatly helped by an excellent start to our financial year and we returned to normal profitability during February. Thus I can report that at the end of four months our profits are ahead of this time last year. I am confident of a successful outcome to this year's trading so long as we do not have to face any further upheaval outside our own control."

Blundell-Permoglaze Holdings Limited,
York House, 37 Queen Square, London WC1N 3BL
A group of companies concerned with the manufacture of decorative trade paints and industrial finishes.

The Ashdown Investment Trust Limited

Managed by J. Henry Schroder Wagg & Co. Limited

The Annual General Meeting will be held on Wednesday, 28 March
at 120 Cheapside, London EC2

The following is a summary of the Report by the Directors
for the year ended 30 November 1978.

	1977	1978	% Increase
Total Revenue	£892,324	£994,806	11.5%
Revenue after taxation and expenses	£414,739	£471,218	13.6%
Earnings per Ordinary Share	4.28p	4.78p	11.7%
Ordinary dividends for the year, net per share	4.05p	4.60p	13.6%
Net asset value per 25p Ordinary Share, assuming full conversion of the Loan Stock	175.5p	185.2p	5.5%

Copies of the Report and Accounts are available from the Secretaries,
J. Henry Schroder Wagg & Co. Limited, 48 St. Martin's Lane, London WC2N 4EL.

ALLEN HARVEY & ROSS INVESTMENT MANAGEMENT LTD
48 Cornhill, London, EC3V 3PB. Tel: 01-623 6514.
Index Guide as at March 1, 1979

Capital Fixed Interest Portfolio 105.10
Income Fixed Interest Portfolio 101.65

51 من الفصل

Financial Times Thursday March 8 1979

CURRENCIES, MONEY and GOLD

مكتبة الأهرام

Pound continues to improve

1979

Year Ended

31 January

1979

2000s

875,185

(51,793)

823,392

64,474

(8,475)

(4,834)

1,442

437

53,104

(12,564)

(357)

(781)

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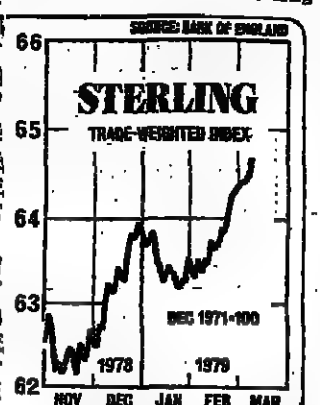
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Sterling maintained its firmness against other major currencies yesterday in an otherwise listless foreign exchange market. News of a possible early implementation of the EMS, following the withdrawal of French objections, caused hardly a ripple. Against the dollar, sterling opened at \$2.0280 and traded around \$2.0285 until towards noon when it improved to \$2.0285. This was probably the level at which the Bank of England intervened by purchasing dollars and holding the rate steady during the afternoon and evening. Sterling touched \$2.0300, and with New York entering the market selling dollars, the pound finished at the day's lowest level for the day at \$2.0280. This represented a rise of 35 points from Tuesday's close of \$2.0245, the highest since October last year.



Against other currencies, sterling improved against the mark and the franc, but was held back by a rise in the yen. The dollar showed little movement, but started to ease the afternoon and the opening of U.S. markets. It finished at \$2.0280, a rise of 35 points from Tuesday's close of \$2.0245, the highest since October last year.

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steadier tendency after its recent decline and managed a 30 point improvement against the dollar to \$2.040 compared with \$2.010.

Using Morgan Guaranty figures at noon in New York, the dollar's trade weighted average depreciation widened to 8.4 per cent from 8.2 per cent. On Bank of England figures, its index fell from 84.6 to 84.5.

FRANKFURT — The dollar was fixed at DM1.8580 yesterday, slightly down from Tuesday's level of DM1.8550, and there was no intervention by the Bundesbank. News of France's proposal to start the EMS and further developments in the Vietnam/China conflict appeared to have little effect on trading and most of the minor currencies showed little or no movement at all. In later trading the U.S. unit fell to DM1.8518 although dealers pointed out that this represented technical adjustments and not any specific trend.

PARIS — There was little reaction in most centres to the decision by France to withdraw its objections to an early start in the EMS. However Paris remained the one notable exception and the dollar lost ground quite sharply in this trading. Against the franc it finished at FF4.2850, compared with FF4.2850 at the start of the day and FF4.2850 on Tuesday. Sterling improved against most currencies, and closed at FF4.2770, sharply up from its previous level of FF4.2685.

MILAN — In subdued trading, sterling rose to a record level against the lira at the fixing of L1.70535. The dollar showed a slightly weaker tendency at L1.84105 from L1.84105 while the D-mark and Swiss franc remained quiet.

AMSTERDAM — The dollar was fixed at F1.20050 yesterday, slightly easier than the previous level of F1.20080.

TOKYO — Trading remained quiet for the greater part of the day, and the dollar finished with a slight gain over the yen at ¥204.675, compared with ¥204.675 on Tuesday's close of ¥204.30. Movements during the day were confined to a spread of 40 points between ¥204.65 and ¥204.25.

THE POUND SPOT AND FORWARD

March 7	Day's spread	Close	One month	%	Three months	%
U.S.	2.0280-2.0350	2.0340-2.0360	0.57-0.47c pm	3.07	1.02-0.92 pm	1.97
Canada	2.0280-2.0350	2.0340-2.0360	0.57-0.47c pm	3.07	1.02-0.92 pm	1.97
Belgium	2.0280-2.0350	2.0340-2.0360	0.57-0.47c pm	3.07	1.02-0.92 pm	1.97
Denmark	2.0280-2.0350	2.0340-2.0360	0.57-0.47c pm	3.07	1.02-0.92 pm	1.97
France	2.0280-2.0350	2.0340-2.0360	0.57-0.47c pm	3.07	1.02-0.92 pm	1.97
Germany	2.0280-2.0350	2.0340-2.0360	0.57-0.47c pm	3.07	1.02-0.92 pm	1.97
Italy	2.0280-2.0350	2.0340-2.0360	0.57-0.47c pm	3.07	1.02-0.92 pm	1.97
Japan	2.0280-2.0350	2.0340-2.0360	0.57-0.47c pm	3.07	1.02-0.92 pm	1.97
Netherlands	2.0280-2.0350	2.0340-2.0360	0.57-0.47c pm	3.07	1.02-0.92 pm	1.97
Portugal	2.0280-2.0350	2.0340-2.0360	0.57-0.47c pm	3.07	1.02-0.92 pm	1.97
Spain	2.0280-2.0350	2.0340-2.0360	0.57-0.47c pm	3.07	1.02-0.92 pm	1.97
Sweden	2.0280-2.0350	2.0340-2.0360	0.57-0.47c pm	3.07	1.02-0.92 pm	1.97
Switzerland	2.0280-2.0350	2.0340-2.0360	0.57-0.47c pm	3.07	1.02-0.92 pm	1.97
U.K.	2.0280-2.0350	2.0340-2.0360	0.57-0.47c pm	3.07	1.02-0.92 pm	1.97

THE DOLLAR SPOT AND FORWARD

March 7	Day's spread	Close	One month	%	Three months	%
U.S.	2.0280-2.0350	2.0340-2.0360	0.57-0.47c pm	3.07	1.02-0.92 pm	1.97
Canada	2.0280-2.0350	2.0340-2.0360	0.57-0.47c pm	3.07	1.02-0.92 pm	1.97
Belgium	2.0280-2.0350	2.0340-2.0360	0.57-0.47c pm	3.07	1.02-0.92 pm	1.97
Denmark	2.0280-2.0350	2.0340-2.0360	0.57-0.47c pm	3.07	1.02-0.92 pm	1.97
France	2.0280-2.0350	2.0340-2.0360	0.57-0.47c pm	3.07	1.02-0.92 pm	1.97
Germany	2.0280-2.0350	2.0340-2.0360	0.57-0.47c pm	3.07	1.02-0.92 pm	1.97
Italy	2.0280-2.0350	2.0340-2.0360	0.57-0.47c pm	3.07	1.02-0.92 pm	1.97
Japan	2.0280-2.0350	2.0340-2.0360	0.57-0.47c pm	3.07	1.02-0.92 pm	1.97
Netherlands	2.0280-2.0350	2.0340-2.0360	0.57-0.47c pm	3.07	1.02-0.92 pm	1.97
Portugal	2.0280-2.0350	2.0340-2.0360	0.57-0.47c pm	3.07	1.02-0.92 pm	1.97
Spain	2.0280-2.0350	2.0340-2.0360	0.57-0.47c pm	3.07	1.02-0.92 pm	1.97
Sweden	2.0280-2.0350	2.0340-2.0360	0.57-0.47c pm	3.07	1.02-0.92 pm	1.97
Switzerland	2.0280-2.0350	2.0340-2.0360	0.57-0.47c pm	3.07	1.02-0.92 pm	1.97
U.K.	2.0280-2.0350	2.0340-2.0360	0.57-0.47c pm	3.07	1.02-0.92 pm	1.97

CURRENCY RATES

March 8	Bank rate	Special Drawing Rights	European Unit of Account	Mar. 7	Bank of England	Morgan Guaranty
Sterling	131	0.655757	0.667763	Sterling	64.69	59.7
U.S.	81	1.28690	1.33182	U.S. dollar	84.47	84
Canada	111	1.59071	1.59071	Canadian dollar	79.17	79.17
Belgium	84	17.5081	18.3661	Austrian schilling	147.37	147.37
Denmark	8	37.8068	39.7160	Belgian franc	114.41	114.41
France	6	4.2770	4.2770	Deutsche Mark	150.83	150.83
Germany	6	4.2770	4.2770	Swiss franc	195.77	195.77
Italy	6	2.3864	2.51051	French franc	99.37	99.37
Netherlands	6	2.3864	2.51051	Lira	54.20	54.20
Portugal	6	2.3864	2.51051	Yen	35.98	35.98
Spain	6	2.3864	2.51051	Based on trade weighted changes from Washington agreement December, 1971		
Sweden	6	2.3864	2.51051	(Bank of England index=100)		
Switzerland	6	2.3864	2.51051			
U.K.	6	2.3864	2.51051			

OTHER MARKETS

Mar. 7	C	S	Note Rates	
Argentina Ptas.	2265-2275	1108-1118	Austria	27.28
Australia Dollar	1.6045-1.6085	0.9870-0.9890	Belgium	59.9-60.9
Brazil Cruzeiro	44.58-45.58	81.90-82.40	Denmark	10.50-10.60
Canada Dollar	1.5907-1.5907	0.9870-0.9890	France	84.47
Greek Drachma	75.333-75.037	56.00-56.58	Germany	150.83
Hong Kong Dollar	9.80-9.81	4.8170-4.8240	Italy	150.83
Indian Rupee	16.50-16.51	0.1215-0.1215	Japan	35.98
Kuwait Dinar (KD)	0.553-0.558	0.2749-0.2750	Netherlands	4.2770
Malaysian Ringgit	59.70-59.80	39.35-39.37	Norway	10.50-10.50
Malaysian Dollar	4.461-4.461	0.1215-0.1215	Portugal	95.5-97.5
New Zealand Dlr.	1.8220-1.8230	0.9467-0.9477	Spain	164.149
Saudi Arab. Riyal	6.78-6.88	0.5598-0.5605	Switzerland	195.77
Singapore Dollar	1.6850-1.6850	0.9467-0.9473	United States	84.47
South African Rand	1.7004-1.7005	0.9400-0.9455	Yugoslavia	41.43

Rate given for Argentina is free rate.

CURRENCY CROSS RATES

Mar. 7	Pound Sterling	U.S. Dollar	Deutsche Mark	Japanese Yen	French Franc	Swiss Franc	Dutch Guilder	Italian Lira	Canadian Dollar	Belgian Franc
100 Sterling	1.0000	2.028	5.770	415.5	8.705	3.358	4.068	1708	8.411	59.78
100 Dollar	0.498	1.000	1.968	304.5	4.879	1.658	1.999	859.3	1.185	59.78
100 Mark	0.173	0.508	1.000	110.3	8.309	0.801	1.079	489.9	0.683	13.85
100 Yen	0.243	0.243	0.243	1.000	30.95	0.171	0.789	411.0	0.801	143.5
100 Franc	1.169	0.235	0.235	0.235	1.000	10.0	0.900	195.2	0.789	88.64
10	0.1169	0.0235	0.0235	0.0235	0.1000	1.0	0.0900	19.52	0.0789	8.864
1000 Lira	0.000498	0.000508	0.000508	0.000508	0.000508	0.000508	0.000508	1.000	0.000508	0.000508
1000 Franc	0.0008593	0.0008593	0.0008593	0.0008593	0.0008593	0.0008593	0.0008593	0.0008593	0.0008593	0.0008593
1000 Yen	0.0003095	0.0003095	0.0003095	0.0003095	0.0003095	0.0003095	0.0003095	0.0003095	0.0003095	0.0003095
1000 Guilder	0.000243	0.000243	0.000243	0.000243	0.000243	0.000243	0.000243	0.000243	0.000243	0.000243
1000 Mark	0.000173	0.000173	0.000173	0.000173	0.000173	0.000173	0.000173	0.000173	0.000173	0.000173
1000 Franc	0.0008593	0.0008593	0.0008593	0.0008593	0.0008593	0.0008593	0.0008593	0.0008593	0.0008593	0.0008593

INTERNATIONAL COMPANIES and FINANCE

مكتبة الأعمال

RESULTS IN
Solid gains
in Harco
earnings

NEW YORK — Harco International Corp. reported a 10 per cent increase in earnings per share for the first quarter of 1979, to \$1.45, from \$1.32 in the same quarter of 1978. The company also reported a 10 per cent increase in sales for the first quarter, to \$1.45 billion, from \$1.32 billion. Harco's earnings were boosted by a 10 per cent increase in its steel business, which reported a 10 per cent increase in earnings per share to \$1.45, from \$1.32. The company's steel business also reported a 10 per cent increase in sales to \$1.45 billion, from \$1.32 billion. Harco's other businesses, including its chemical and engineering divisions, also reported increases in earnings and sales.

Christiania
Bank ahead

By Fay Gjerster in Oslo
CHRISTIANIA BANK one of Norway's "big three" commercial banks, reports net profits of Nkr 55.3m (\$10.8m) in 1978, up from Nkr 43.6m in 1977. The improvement was achieved despite increased provision for bad debts and a sharp rise in interest costs from 4.45 per cent in 1977, to 5.5 per cent last year. It mainly reflects a rise of Nkr 26m in interest income, and a Nkr 44m increase in profits on currency transactions. An unchanged 11 per cent dividend is being paid. Assets rose to Nkr 10.8bn at end 1978, up from Nkr 10.0bn at end 1977. Equity capital rose by Nkr 11.8m to Nkr 584m, as the bank's value rose by Nkr 100m.

ND SERV

Currency exchange hurts
SKF despite sales rise

BY VICTOR KAYETZ IN STOCKHOLM
SKF, the Swedish-based bearings, steel and machine tools group, reported that pre-tax profit for 1978 before exchange rate differences and extraordinary items amounted to Skr 207m (\$47.3m), up from Skr 156m the previous year.
Due to currency exchange losses of Skr159m and a drop of Skr75m in extraordinary income, profit before allocations and taxes plunged from a 1977 figure of Skr327m to only Skr81m.
The Board proposes to pay a dividend of Skr5.50 per share, unchanged for the fourth year running and totalling Skr81m.
SKF showed a stronger fourth quarter recovery than expected in the group's November interim report. Pre-tax profit before exchange rate differences and extraordinary items totalling Skr98m for the first nine months of 1978 but leaped to Skr109m in the final quarter alone.
Group sales of SKF, the world's largest manufacturer of bearings, were up 19 per cent from Skr8bn in 1977 to Skr9.5bn last year.
Sales of ball and roller bearings, which account for roughly three-quarters of group turnover, increased by more than 15 per cent, with the U.S. market showing the best development and most European sales companies recording substantial rises, SKF's report said.
The group's steel division had a turnover 19 per cent higher than in 1977 with sales increases in all market segments, particularly in the oil and hydraulic sectors being especially significant. Cutting tools sales grew by 23 per cent. Turnover for other products was 30 per cent higher than in 1977.
Demand for textile machinery, components, castings and machine tools recovered from a trough, SKF said.
Roller bearings made the largest contribution to group profit.
The steel division's losses decreased substantially and a break-even position was attained toward the end of the year, the company said.
The cutting tool division improved results significantly as the previous loss situation in Sweden took a profitable turn, SKF wrote. Development in other product lines was uneven but overall profitability strengthened.
The worsening of SKF's currency exchange position from a 1977 gain of Skr 63m to a loss of Skr 159m was attributable to differences which arise from currency changes on the conversion of foreign subsidiary balances into Swedish kroner.
These had a detrimental effect of Skr 134m on results, whereas in 1977 they improved the figures by Skr 88m, SKF added.
Net extraordinary income was Skr 33m in 1978 against Skr 108m the previous year.
Group net income dropped from Skr 193m to Skr 109m. Earnings per share, calculated as income before exchange differences, reduced by tax and minority interests, came out to Skr 4.90 per share against Skr 2.30 in 1977.
SKF said it had taken steps to reduce inventories, and these amounted at the end of 1978 to 56 per cent of 1977 sales, compared with stocks equivalent to 56 per cent of 1977 sales a year earlier.
Capital investments in 1978 were Skr 422m, down from Skr 757m the previous year.

INI to absorb Ministry shares

BY ROBERT GRAHAM IN MADRID
MOVES TO co-ordinate the activities of the state holding company INI with the substantial economic interests held in trust for the state by the Ministry of Finance have been set in motion.
They were confirmed this week by Sr. Arturo Romani, director general of the Patrimonio de Estado, the Ministry of Finance's interests held in trust for the nation. He said that ways were being examined to merge these holdings with INI.
The separation from INI of important areas of activity, especially the Ministry of Finance's 51 per cent controlling stake in the petroleum marketing monopoly, Campsa, is a major anomaly. Rumours have been circulating for some time that a rationalisation would be initiated.
A year ago suggestions that the Ministry of Finance transfers its stake in Campsa to INI helped to provoke the departure of the then Minister of Economy, Professor Enrique Fuentes Quintana. The long delayed national energy plan, 1977-87, originally proposed that the state interests in Campsa be transferred to INI to form a special energy holding. The Socialists and Communists in the new parliament are likely to press for such a solution since 80 per cent of INI's investment is in energy and the continued separation from Campsa has no logic.
In addition to Campsa, the Ministry of Finance holds a 34.5 per cent stake in the telephone monopoly, Telefonos, and a 51 per cent interest in the tobacco monopoly, Tabacalera. Campsa and Telefonos are respectively the first and fourth most important companies in Spain in terms of turnover. However, not only would their transfer increase significantly the ultimate size of INI, it would also add to its profitability. Both concerns are turning in good profits. In addition to holding these shares in the three monopolies, INI also controls a bank, Banco Rural y Mediterraneo. The railways are a separate state holding.
In the past the Ministry of Finance has jealously guarded its control. Being a strong ministry it has been able to resist the demands of the much weaker Ministry of Industry that controls INI. The Ministry of Finance has been supported in this stand by the private shareholders. The lesser interference in management afforded by the Ministry of Finance has proved more attractive to them.
Any solution to this problem would eventually have to tackle another anomaly—that of the sizeable portfolio of the Bank of Spain.

Portugal
and Renault
near pact on
new plant

By Jimmy Burns in Lisbon
THE PORTUGUESE authorities and Renault yesterday began what is believed to be the last stage in negotiations on the French company's plans for a new engine and components factory and the stepping-up of its assembly operations in Portugal.
The project, 30 per cent of which is aimed at the domestic market, was accepted in principle by the Portuguese government nearly two years ago, and is expected to bring some FFr 1.2bn (\$280.37m) in investment and to create some 6,000 new jobs.
Final agreement on the scheme has been delayed until now because of Portugal's government crises and the fall in car sales here during the past two years. Last year total sales dropped by about 40 per cent and caused modifications in Renault's original scheme, which was based on a forecast of continuing high consumer demand.
At stake in the latest round of talks is whether the Portuguese government is willing to relax present credit restrictions so as to boost domestic car sales in the coming months.

Increased
dividend at
PKbanken

By Our Stockholm Correspondent
OPERATING profit of the state-owned PKbanken, Sweden's largest commercial bank, in 1978 was Skr 673.5m (\$154.8m) which was 29.2 per cent higher than the Skr 521.4m recorded the previous year. The Board proposes a dividend of Skr 10 per share, against Skr 9.
PKbanken's year-end balance sheet totalled Skr 59bn (\$13.6bn), up 17.3 per cent from Skr 50.3bn at the end of 1977. The country's second-largest bank, the privately-owned Svenska Handelsbanken, had assets of Skr 58.5bn on December 31 last year.
PKbanken said it held its market shares in all areas, but loans in the business sector slowed down during 1978 after a period of very rapid growth.

Order upturn at
Krupp Steel

BY ADRIAN DICKS IN BONN
THE STEEL-MAKING subsidiary of the Krupp Group, Fried. Krupp Huettenwerke, says in an interim report to shareholders that any improvement in the profitability of the European steel industry in 1979 would depend on how far the European Commission succeeded in its proposals to cut back state subsidies and to help phase out obsolete plant.
The FKH Board said that in volume terms, market conditions had improved from last year. Domestic steel orders had increased thanks both to the pick-up in the West German economy and to the rebuilding of stocks after these had been largely depleted during the stoppage in the industry this winter.
Exports had also shown signs of increasing, but FKH stressed that this would not help the industry's profitability unless there were more stable conditions on foreign exchange markets and co-operation among all members of the European Community in carrying through the Commission's restructuring plans.
For 1978, FKH reports a decline of 1.9 per cent in sales to DM 4.43bn (\$2.38bn), at the same time as total steel production was up 6.1 per cent to 5,066 tonnes. This seeming paradox was due, the company said, to a relatively sharp decline in the share of special steels compared to bulk products. In this connection, competition on the special steels market, higher prices for essential alloying metals and production lost in the strike-cum-lock-out all had a negative effect.
Although FKH did not give financial results for 1978 in full, it indicated that losses had been reduced from 1977's DM 40m. Raw materials had been cheaper last year thanks to the decline of the dollar, while a higher rate of capacity use had helped the company benefit more fully from past rationalisation measures. Natural wastage and some earlier retirements had reduced manpower by nearly 1,000 people, enabling gains in productivity.
For 1979, however, the company warned that these circumstances could not be expected to last, while the inadequate return on production of recent years would be further squeezed by the effects of the long stoppage in the industry.

German
publisher
to increase
capital

By Guy Hawtin in Frankfurt
FURTHER strengthening of its capital base remains the target of Bertelsmann, which claims to be the world's largest book publishing group. This is despite last month's decision by shareholders to increase its capital by DM 64m to DM 224.3m.
According to the management, the aim is for the capital to equal 25 per cent of Bertelsmann's total assets. And this explains the 1977-78 decline in net profits, which went back from the previous business year's DM 66.9m to DM 57.9m, after an allocation of DM 100m to reserves.
Recent major expansion is reflected in the sales figures, which last year rose by 20.4 per cent to DM 3.47bn (\$1.85bn). However, a better indication of Bertelsmann's growth rate during recent years can be reached by a look at the 1974-75 sales which amounted to DM 2.06bn.
Real sales growth during the current year is estimated at between 8.5 per cent and 9 per cent, by Herr Reinhard Mohn, the group's chief executive. Again, the main point of expansion will be overseas. Capital investment is planned at DM 187m—well up on 1977-78's DM 158m.
One of the reasons for the interest in expansion overseas is that Bertelsmann has had problems with the Federal Cartel Office. Last year, for instance the group—a major subsidiary of which is Gruner and Jahr, acquired in 1972—was barred from taking over Deutsche Verlags Verlag, a medium sized trade publications house.
Mannesmann buys into Latin America
MANNESMANN, the West German steel pipe and mechanical engineering group, has taken over majority control of Movierga of Sao Paulo, Latin America's largest producer of mining machinery, writes Adrian Dicks from Bonn.
Bank of Helsinki
TUESDAY'S REPORT on the 1978 annual accounts from the Bank of Helsinki wrongly gave the name of the bank as the Bank of Finland.

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Bayerische Vereinsbank
Bergan Bank
Berliner Bank
Berliner Handels- und Frankfurter Bank
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B.S.J. Underwriters
Caisse des Dépôts et Consignations
Cazenove & Co.
Charterhouse Japhet
Christiana Bank and Creditanstalt
CIBC
Commerzbank
Compagnie de Banque et d'Investissements Underwriters S.A.
Compagnie Monégasque de Banque
Continental Illinois
Copenhagen Handelsbank
County Bank
Crédit Commercial de France
Crédit Industriel et Commercial
Crédit Lyonnais
Crédit du Nord
Credit Suisse First Boston
Creditanstalt-Bankverein
DB Finance Hong Kong Ltd.
DG Bank
Deutsche Genossenschaftsbank
Dahwa Europe N.V.
Richard Daus & Co.
Delbrick & Co.
Den Danske Bank
Den norske Creditbank
Deutsche Girozentrale
—Deutsche Kommunalbank—
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Kuwait Investment Company S.A.K.
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Samuel Montagu & Co.
Morgan Grenfell & Co.
Morgan Stanley International
The National Bank of Kuwait S.A.K.
Nederlandsche Middenstandsbank N.V.
Nesbitt Thomson
Nomena Europe N.V.
The Nikko Securities Co., (Europe) Ltd.
Norddeutsche Landesbank
Noyde Bank
Österreichische Landesbank
Oriental Bank
Pierres, Hédouin & Pissier N.V.
Postbank
Renouf & Co.
Rothschild Bank AG
N.M. Rothschild & Sons
Salomon Brothers International
Sol. Oppenheim & Co.
Sanwa Bank (Underwriters)
Scandinavian Bank
Schroder, Münchmeyer, Hengst & Co.
J. Henry Schroder Wagg & Co.
Skandinaviska Enskilda Banken
Société Bancaire Barclays (Suisse) S.A.
Société Générale d'Assurance de Banque
Société Générale de Banque S.A.
Société Générale (France) Bank
Société Privée de Gestion Financière
Société Séquanaise de Banque
Spa Bankers Bank
Standard Chartered Merchant Bank
Strauss, Turnbull & Co.
Sumitomo Finance International
Sverika Handelsbanken
Tokai Kyowa Morgan Grenfell
Trade Development Bank
Uchesebank AG
Union Bank of Finland
United International Bank
United Overseas Bank Ltd., Singapore
Verband Schweizerischer Kantonalbanken
Vereins- und Westbank Aktiengesellschaft
J. Vortobel & Co.
S.G. Warburg & Co. Ltd.
Wanderley
Westdeutsche Landesbank
Wirtschafts- und Privatbank
Dean Witter Reynolds International
Wood Gundy
Yamaichi International (Europe) Ltd.

Yacimientos Petroliferos Fiscales Bolivianos
US \$47,000,000
Medium Term Loan
Guaranteed by
Banco Central de Bolivia
Managed and Provided by
Arab Latin American Bank
—ARLABANK—
AL — UBAF Group
Banco do Brasil S.A.
Crédit Lyonnais
European Arab Bank
International Westminster Bank Limited
Merrill Lynch International Bank Limited
Union de Banques Arabes et Françaises — U.B.A.F.
Banco Arabe Español, S.A.
Euro-Latinamerican Bank Limited
—EULABANK—
European Brazilian Bank Limited
Libyan Arab Foreign Bank
Orion Bank Limited
Société Générale de Banque S.A.
UBAF ARAB AMERICAN BANK
UBAF Bank Limited
UBAN-Arab Japanese Finance Ltd.
Agent
Union de Banques Arabes et Françaises — U.B.A.F.

The Bank of Tokyo, Ltd.

Negotiable Floating Rate U.S. Dollar
Certificates of Deposit
Series B Maturity date
10 September 1980



In accordance with the provisions of the
Certificates of Deposit notice is hereby
given that for the six month interest period
from 8 March 1979 to 10 September 1979 the
Certificates will carry an Interest Rate of
11 1/4 % per annum.

Agent Bank
The Chase Manhattan Bank, N.A.,
London

LONRHO LIMITED 1978 ACCOUNTS

Lonrho Limited has been informed by the Institute of Chartered Accountants in England and Wales that the Institute has received no complaints about the Lonrho Report and Accounts for the year to 30th September 1978.

The Institute has advised that the setting up of a small committee to look at accounts is purely a normal routine matter where the accounts contain a reference to a departure from a statement of standard accounting practice. There are many such informal committees sitting at any one time looking at such points of interest in the published accounts of companies.

Companies
and Markets

INTERNATIONAL COMPANIES and FINANCE

Buying spree helps Stanbic to target

BY JIM JONES IN JOHANNESBURG

STANDARD BANK Investment Corporation (Stanbic) has announced attributable earnings of R29.5m (\$34.5m) for the nine months to December 31—an increase of some 25 per cent in annual terms over the R31.2m for the year to March 31, 1978. The company, an offshoot of Standard Chartered of the UK, has changed its accounting year end from March to December.

In Stanbic's annual report for the year to March 31, 1978, the management set a group target of return on shareholders' funds of at least 16 per cent. The target has been met, after allowing for the shorter accounting period.

The accounting period change makes comparison with the previous 12 month period impossible. But for the nine months the return on shareholders' funds ran at 12.26 per cent (16.35 per cent in annual terms).

Against 13.7 per cent during the preceding year. Stanbic has been helped towards its profit improvement by the introduction of the 4 per cent general sales tax last July. Before the introduction of the tax, consumers went on a buying spree, pushing up demand for credit.

The results of UDC Bank have been included for the first time, helping to lift attributable earnings. Without UDC, the percentage increase would have been 17 per cent. However, additional shares issued to effect the purchase of UDC in April 1978, reduced the adjusted per share earnings increase to 14.5 per cent.

For the nine month period, Stanbic has declared total dividends of 34 cents per share, against 28 cents in the year to March 31, 1978.

Improvement at Unisec

BY OUR JOHANNESBURG CORRESPONDENT

PRE-TAX profits for Unisec, the South African investment company, increased to R6.94m (\$8.26m) in 1978 compared with R6.44m for the previous year.

Consolidation of the property investment subsidiary, Unidev, for the full 12 months played a large part in Unisec's 1978 earnings improvement.

Unidev has one of the best property portfolios in the greater Johannesburg area. In the year to December 31, Unidev contributed R524,000 to Unisec's R6.2m taxed earnings. In 1977 when it was consolidated for only six months, the property subsidiary's contribution was R189,000 of the year's R5.3m earnings.

The remainder of last year's improvement followed from early switching of the portfolio into gold and diamond stocks. But the management is confident that with an improving property market, Unidev's contribution will continue to keep pace with earnings growth from the rest of the investment.

Although earnings per share rose from 12.7 cents to 14.3 cents in 1978, Unisec has been less generous in its dividend distribution. The year's total dividend was increased from 10.5 cents to 11.25 cents.

In line with the rest of the Johannesburg market, Unisec has weakened from a recent high 136 cents to its current 127 cents.

Slowdown at merchant banks in Malaysia

By Wong Sukong in Kuala Lumpur

THREE Malaysian merchant banks have this week announced results which reflect the slack times met last year when merchant banks had to face a situation of tight liquidity and narrow spreads.

Ascentbankers Berhad, the most prominent of the 12 merchant banks in the country, reported pre-tax profits of 2.77m ringgit (U.S.\$1.3m) for 1978, a few thousand ringgit more than in the previous year.

The bank said that considering the difficult year, the results were "good." Particularly impressive was the growth of income from fees, which rose from 1.3m ringgit to 2.3m ringgit.

Fees, as opposed to fund-based income, constitute 40 per cent of the revenue for Ascentbankers, and this is well above the 30 per cent target laid down by the Malaysian central bank, which the merchant banks must reach by the end of 1981.

Instead of paying a dividend, Ascentbankers is capitalising on its reserves to make a one-for-five scrip issue to bring paid-up capital to 12m ringgit.

In recent weeks, the bank had taken a 30 per cent stake in Kota Discount House, the fifth discount house in Malaysia.

Pre-tax profits of UDA Merchant Bankers for last year were 1.5m ringgit (U.S.\$685,000) or 50,000 ringgit less than in the previous year. The bank's assets, deposits and loans were almost unchanged during the year.

Holderbank takes stake in Queensland cement plan

BY JAMES FORTH IN SYDNEY

QUEENSLAND Cement and Lime Company (QCL) has announced an ambitious A\$86m (some US\$100m) expansion programme designed to ensure that production of cement is sufficient to supply the needs of the state. The directors yesterday announced a complex project financing package, which will include taking in the major Swiss cement group, Holderbank Finance, as a 25 per cent shareholder.

The State Government Insurance Office of Queensland (SGIO), which is already among the larger shareholders, will also end up with a 25 per cent stake. QCL has negotiated agreements to secure access to A\$86m, to allow for A\$12m standby facilities in case of a cost overrun or a shortfall in internal cash flow.

The package, which was put together by the merchant bank, Schroder Darling, involves term loans, convertible debentures, subordinated debt, share placements and a rights issue, to shareholders. It is ambitious because the capital of the company at present is only A\$14.66m and the shareholders' funds about A\$23m.

The major portion of the funds will come from A\$53m in secured term loans. The Australian Resources Development Bank will put up A\$25m,

the SGIO A\$18m (which carries a state government guarantee), the Australian Industry Development Corporation A\$15m and the National Mutual Life Office A\$2m.

A placement of up to 6.56m shares will be made to Holderbank and up to 5.56m shares to SGIO, both placements will be made at A\$1.25 a share. A further A\$3.8m will be raised from existing shareholders through a one-for-four rights issue at A\$1.00 a share. The placements and rights issue will lift QCL's capital to A\$30.8m.

Holderbank will put up subordinated loans of up to A\$8.72m and SGIO A\$570,000, while a further A\$6.3m will come from a convertible debenture issue, with A\$1.5m reserved for prior subscription by shareholders and the remainder to be placed with selected investment institutions.

Overall, Holderbank has agreed to contribute A\$19m in shares and subordinated loans, while SGIO will put up a total of A\$28m. The directors of QCL expect to pay dividends of at least 10 cents a share on the enlarged capital.

The project involves establishment of limestone and clay mining operations on the central Queensland coast and pumping the slurry 25 miles in a pipeline to Gladstone, where a

cement clinker plant will be built. The clinker will be ground at the existing mill near Brisbane. Work is expected to start soon.

At present, QCL cannot supply demand from its clinker plant near Brisbane and had been importing clinker from the South Australian cement group, Adelaide Brighton Cement.

The directors said they considered that reliance on imported clinker or cement would prove disadvantageous in the long term to shareholders and cement consumers. QCL could eventually end up acting solely as a wholesaler of cement.

They said it was clear the funding programme would place a burden on the company's cash flow, both in the cost of servicing the new capital and in meeting loan repayment commitments. The company must therefore generate increased sales revenue which would come partly from increased volume of sales and partly from a lift in cement prices.

The response of Adelaide Brighton, which has considerable excess capacity to the loss of its Queensland clinker market will be interesting. Some industry observers believe the company could install a bulk cement terminal near Brisbane and take on QCL in its home market.

Trading profit down at Waltons

BY OUR SYDNEY CORRESPONDENT

RETAIL GROUP Waltons managed to lift net earnings on trading operations by only 4 per cent from R\$3.57m to A\$3.7m in the six months to January 31. On a pre-tax basis the trading profit dropped 16 per cent from A\$5.5m to

A\$4.4m, but the tax provision was slashed from A\$1.7m to A\$735,000. The directors gave no reason for the much lower tax.

Waltons has also decided to equity account for the first time for its 30 per cent interest in

the finance company, Barclay Credit Corporation. This brought in another A\$440,000, resulting in a 36 per cent increase in the company's operating profit to A\$4.4m.

The lower pre-tax earnings, the latest half in comparison with several retail groups, were reported buoyant Christmas sales.

The directors said that sales rose 5.4 per cent from A\$1.7m to A\$1.66m. Sales were not below expectations in Victoria and Queensland. Sales in wearing apparel showed a satisfactory increase in demand continued to be depressed for consumer durables, which in turn affected volume in instalment credit.

Waltons had a poor year in 1977-78 with earnings tumbling more than 6.2 per cent to A\$2.5m. In the last half the group incurred a loss of A\$1m. After this result, Waltons entered into a "technology agreement" with the world largest retail group, H&M, but little has been given about the link.

Acmil in hardware offer

BY OUR SYDNEY CORRESPONDENT

ACMIL, one of Australia's largest manufacturing groups, has made a A\$12m (U.S.\$13.48m) offer for hardware group Dickson Primer (Consolidated). The directors of Acmil said the scheme represented a merger of interests rather than a takeover and that several of its activities would benefit through economies of scale and geographical location. The merchandising operations would be of particular benefit to Acmil.

The offer is two Acmil shares plus 25 cents cash for each Dickson Primer share. Based on Acmil's market price the offer values Dickson Primer shares at A\$1.69 compared with a p/e

offer market price of A\$1.36. The family interests of the Dickson Primer chairman and managing director intend to accept.

The offer is conditional on Dickson Primer not declaring the interim dividend which would normally be paid in June. This will be replaced by a special dividend from Acmil of 2.5 cents for each new share issued under the offer. The new shares will then rank for normal Acmil dividends, starting with the final payment in November. The Acmil directors expect to maintain the existing annual dividend rate of 5.25 cents on the increased capital.

Japan Styrene

PARIS—Japan Styrene, a unit of Mitsubishi Gas Chemical is to acquire an 11 per cent interest in the French plastics concern Plastiques Douff S.A. at a cost of FF 250,000 (\$58,000) according to Chimie Hebdô, a weekly industry publication. AP-DJ

VONTSEL EUROBOND INDICES

PRICE INDEX	100 = 100%	AVERAGE YIELD	5.17%	27.2%
DM Bonds	102.77	102.44	DM Bonds & Notes	8.55%
HFL Bonds & Notes	98.89	98.89	HFL Bonds & Notes	8.55%
U.S. \$ Int. Bonds	98.43	98.43	U.S. \$ Int. Bonds	8.55%
Can. Dollar Bonds	98.23	98.23	Can. Dollar Bonds	10.24%

Excerpts from the Annual Report for the nine-month fiscal period from January 1 to September 30, 1978

Groupe Bruxelles Lambert S.A.

Groupe Bruxelles Lambert S.A.
44.1% 100%
Banque Bruxelles Lambert Compagnie Bruxelles Lambert

Net Assets	September 30, 1978 Millions of BF	%	September 30, 1977 Millions of BF	%
Corporate premises, furniture, equipment	4,540.0	10.116.1	9,286.6	30.7
Companies carried at equity in net assets	11,898.0	23.7	10,560.6	34.9
Investments	16,438.0	32.8	13,820.9	45.7
Railroad equipment	10,801.7	21.6	-	-
Land and real estate assets	2,610.6	5.2	2,977.6	8.6
Receivables	1,742.0	3.5	689.3	2.3
Cash and equivalents	446.6	0.9	56.1	0.2
Other assets	1,023.0	2.0	353.7	1.1
Current banking and financial assets	531,014.7	-	437,796.8	-
Less: current banking and financial liabilities	(524,113.1)	-	(434,352.9)	-
Net current banking and financial assets	6,901.6	13.8	3,443.9	11.4
Gross Assets	50,079.6	100.0	30,248.1	100.0
Less: current liabilities	(4,520.9)	(9.0)	(2,505.2)	(8.3)
Capital invested	45,558.7	91.0	27,742.9	91.7
Less: medium and long-term liabilities	(10,889.9)	(21.8)	(4,522.1)	(14.9)
Net Assets	34,668.8	69.2	23,220.8	76.8
attributable to Groupe Bruxelles Lambert S.A.	17,488.1	-	12,386.5	-
attributable to others	17,180.7	-	10,834.3	-

Asset Breakdown

per industry:

Banks	37%
Investments	28%
Broadcasting	9%
Steel, nonferrous metals, metalworking	3%
Insurance, financial services	3%
Food	3%
Oil	2%
Contracting and engineering, utilities	2%
Real estate	1%
Merchandising	1%
Travel and transportation	1%
Beverages	1%
Miscellaneous industries	2%
Railroad equipment	2%
Land and real estate	5%
Other assets	8%
	100%

per country:

Europe	94%
Belgium and Luxembourg	64%
West Germany	17%
France	7%
Other countries	6%
America	4%
Africa	2%

Remark

In 1978, Groupe Bruxelles Lambert, Compagnie Bruxelles Lambert and Banque Bruxelles Lambert all closed their fiscal years for the first time on September 30. Accordingly, Groupe Bruxelles Lambert S.A. had a fiscal period of 9 months, Compagnie Bruxelles Lambert of 15 months and Banque Bruxelles Lambert of 6 months.

In order to allow comparisons with future years, we have therefore prepared a consolidated income statement for a twelve-month period from October 1, 1977 to September 30, 1978. Yet while the income figures were restated with the utmost care, they should be looked upon as pro forma data only.

Net Income

Income before depreciation but after taxation was BF 4.04 billion, half of which was attributable to Groupe Bruxelles Lambert S.A. Net income totalled BF 2.3 billion, BF 1.1 billion of which was attributable to Groupe Bruxelles Lambert S.A. and BF 1.2 billion to others.

Net Asset Value

At the end of September 1978, the net asset value per share was BF 4,377, goodwill excluded, compared with BF 3,097 a year earlier.

Dividend

At the general meeting of stockholders the payment of a cash dividend of BF 90 per share has been decided to the 4 million shares of common stock outstanding.

Copies of the Annual Report are available on request to the Secretary
24, avenue Marnix, 1050 Brussels

Copies of the Annual Reports of Compagnie Bruxelles Lambert and Banque Bruxelles Lambert are available on request to the corporate headquarters of these companies.

This year...

Ferranti will make laser light work as a fault detection system for paper making in Japan, as a target marker for the British Army, as an intricate-cut, precision tool for industry across Europe.

Ferranti technology is a selling success in a diversity of applications. Confidence, commitment, steady growth. That's Ferranti today.

FERRANTI
Selling technology

Ferranti Limited, Hollinwood, Lancashire OL9 7JS

LF72

WORLD STOCK MARKETS

Early Wall St. advance of 11.3 in active trade

INVESTMENT DOLLAR

STOCKS ON Wall Street, after Tuesday's minor setback, staged a fresh widespread advance in active trading yesterday morning as the outlook for Iranian oil exports improved and hopes for the resolution of some international problems were raised.

The Dow Jones Industrial Average moved ahead 11.34 to 837.92 at 1 p.m., while the NYSE All Common Index advanced 1.52 to 2,043.39.

Closing prices and market reports were not available for this edition.

52 cents in \$55.40 and advances outpaced declines by more than a three-to-one margin. There was a sharp increase in turnover to 21.33m shares from the previous day's 17.1m.

Broad-based reports from Iran said oil production rose yesterday to 2m barrels. Reports from Vietnam indicated that Chinese troops have begun withdrawing, which Vietnam has agreed to negotiate if the Chinese pull out completely.

Analysis added that there were increasing hopes that President Carter will manage to get stalled

mid-east peace talks moving again.

The steady tone for the dollar recently and a firmer bond market also helped sentiment.

UV Industries topped the active list but were unchanged at \$33. Blocks of 200,000, 150,000 and 110,000 shares were traded at \$34. Two weeks ago, Sharon Steel, which already held 16 per cent of UV, attempted to buy 1.3m more shares in a large block, but a Maine Court blocked the attempt. UV is seeking to liquidate.

Gaming shares were strong. Active Caesars World rose 2 to \$53 and Bally Manufacturing 1 to \$62.

A number of Blue Chip and Glamour issues attracted institutional interest. General Motors climbed 1 to \$55.15, IBM 3 to \$307, Du Pont 1 to \$133.3, Union Carbide 1 to \$39 and Western Union 1 to \$182. Active Alcoa gained 1 to \$55.

American Reinsurance jumped 5 to \$58; bid in over-the-counter trading. Aetna Life has offered to buy the former's 52.5 per cent stake for \$52.5 a share, bid by Lincoln National, Aetna added 1 to \$42 and Lincoln National 1 to \$38. Savings and Loan stocks, strong on Tuesday on takeover

speculation, gained further ground. Financial Federation rose 1 to \$32.

THE AMERICAN SEC Market Value Index was 0.86 higher at 165.01 at 1 p.m. Volume 1.53m shares (1.58m).

Resorts International "A" climbed 1 to \$51 and Golden Nugget 2 to \$23.

Polychrome advanced 1 to \$23. Dai Nippon's U.S. subsidiary has raised its bid for Polychrome to \$26 a share and agreed to buy those held by Rhone-Poulenc.

Canada

Shares picked up from an earlier start to trading, mixed appreciation on balance at mid-day after heavy dealings.

The Toronto Composite Index was 0.3 higher at 1,396.6 at noon, while Goldmine rose 0.5 to \$13.9 and Utilities 0.7 to \$20.8, but Oil and Gas lost 1.4 to \$19.8 and Banks 0.58 to \$30.37.

BP Canada, on lower annual earnings, shed 1 to CS23.

Tokyo

Market closed with a firmer inclination yesterday, as the moderate business of 240m shares, compared with Tuesday's light volume of 160m shares. The Nikkei-Dow Jones Average

picked up 24.44 to 8,017.28.

There was renewed buying interest for speculative issues and export-oriented stocks, while resource-related shares, especially Nippon Oil and Arabian Oil, advanced on reports that Indonesia is planning to cut its supply of crude oil by 10 per cent in the April-June period.

Japanese oil industry officials, however, denied the reports about the Indonesian oil cutback.

Nippon Oil gained ¥30 to ¥814, Teikoku Oil ¥14 to ¥449, Canon ¥10 to ¥547, Olympus Optical ¥20 to ¥555, Sony ¥90 to ¥1,720, Victor ¥30 to ¥1,230, Yamaguchi Pharmaceutical ¥41 to ¥737 and Takeda Chemical ¥15 to ¥509.

In contrast, Fuji Photo Film receded ¥9 to ¥635 and C. Itoh ¥7 to ¥238.

Germany

Shares prices were mixed with a firmer bias after thin trading, with optimistic reports emanating from the Frankfurt spring fair gingering sentiment in the Stores sector. The Commerzbank index recorded a gain of 1.2 at \$61.5.

Among Stores, Karstadt advanced DM 5.00 and Neckermann DM 4.00, while Herten and Kaufhof gained DM 2.50 apiece. Siemens, in Electricals, put on

DM 1.50, while AEG added DM 1.10. In the Engineering sector, KHD firmed DM 1.10 and MAN DM 1.00. Lufthansa declined DM 1.50, but Degussa lost DM 2.00 and Degussa DM 2.50.

On the Domestic Bond market, prices came under pressure from the new issue of Finance Ministry Schuldenscheine, declines extending to 45 pennings being sustained by Public Authority issues. The Bundesbank bought a modest DM 5.3m nominal of paper in open market operations. Mark Foreign Loans were generally steady.

Paris

No trading took place for the seventh consecutive session as a work strike by bank employees continued. Negotiations between management and striking bank house employees were scheduled to begin yesterday afternoon.

Johannesburg

Gold shares remained generally in easier vein in light dealings, although losses were modest. A fresh advance in the Financial Rand to 741 U.S. cents inhibited trading, but dealers said the one-day strike by about 9,000 white miners had little impact on the market.

Mining Financials were lower in line with producers, but Union Corporation advanced 2 cents to R7.00 against the trend in response to the results. Diamond leader De Beers, in contrast, declined 18 cents to R3.77, following results.

Copper shares were mostly unchanged, but there were later countered by buyers from several sources.

Runde Shale Oil stocks met late support, reported to be from New York account in response to Press comment. Central and Pacific Petroleum firmed 80

cents up at AS6.00 and Southern Pacific 30 cents higher at AS2.50.

News of Federal Government approval for new coal sales to Japan coupled with rising oil prices gave selected coal stocks a boost, with Thes gaining 10 cents to AS2.90 and Howard Smith 8 cents to AS4.58.

CSR hardened 3 cents more to AS3.60. The company is one of the coal suppliers just signed up with the steel mills and in addition does have an interesting shale oil prospect at Julia Creek, in Queensland.

Peko-Wallend, in Uranium, advanced 16 cents to AS5.90. Hammersley, AS2.45, and North Broken Holdings, AS1.63, gained 5 cents apiece, but the majority of uranium stocks were lower on the weakening trend on the London Metals Exchange.

CRA receded 9 cents to AS5.71, Renison Tin 20 cents to AS10.90 and Western Mining 5 cents to AS2.30.

Shares mostly adopted an easier stance yesterday in slow trading.

Among Dutch Internationals, Unilever was F10.40 cheaper at F122.80 following the results. Royal Dutch shed 10.50 to F112.80.

Shares were quoted ex-rights at F135.00, with the new shares changing hands at F15.80 and F15.75.

Shares with losses of F1.00 or more included HVA, OCE-Van der Grinten, and Bilfinger & Berber. Central and Pacific Petroleum firmed 80

cents up at AS6.00 and Southern Pacific 30 cents higher at AS2.50.

Notes: Overseas prices shown below exclude S premium. Belgian dividends and stock prices are in francs. DM 50 denoms. unless otherwise stated, yields based on net dividends. Pts 50 denoms. unless otherwise stated. S 100 denoms. unless otherwise stated.

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Indices

NEW YORK - DOW JONES

	Mar. 7	Mar. 8	Mar. 7	Mar. 8	Mar. 7	Mar. 8	Mar. 7	Mar. 8	Mar. 7	Mar. 8
Industrial	228.58	227.58	118.44	118.44	227.07	227.07	107.74	107.74	742.12	742.12
Transport	228.58	227.58	118.44	118.44	227.07	227.07	107.74	107.74	742.12	742.12
Utilities	228.58	227.58	118.44	118.44	227.07	227.07	107.74	107.74	742.12	742.12
Trading vol.	24,588	25,588	25,188	25,188	25,288	25,288	17,178	17,178		
Day's high	831.34	low	821.35							

	Mar. 7	Mar. 8	Mar. 7	Mar. 8	Mar. 7	Mar. 8	Mar. 7	Mar. 8	Mar. 7	Mar. 8
Ind. div. yield %	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04

	Mar. 7	Mar. 8	Mar. 7	Mar. 8	Mar. 7	Mar. 8	Mar. 7	Mar. 8	Mar. 7	Mar. 8
Ind. div. yield %	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04

	Mar. 7	Mar. 8	Mar. 7	Mar. 8	Mar. 7	Mar. 8	Mar. 7	Mar. 8	Mar. 7	Mar. 8
Ind. div. yield %	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04

	Mar. 7	Mar. 8	Mar. 7	Mar. 8	Mar. 7	Mar. 8	Mar. 7	Mar. 8	Mar. 7	Mar. 8
Ind. div. yield %	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04

	Mar. 7	Mar. 8	Mar. 7	Mar. 8	Mar. 7	Mar. 8	Mar. 7	Mar. 8	Mar. 7	Mar. 8
Ind. div. yield %	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04

	Mar. 7	Mar. 8	Mar. 7	Mar. 8	Mar. 7	Mar. 8	Mar. 7	Mar. 8	Mar. 7	Mar. 8
Ind. div. yield %	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04

	Mar. 7	Mar. 8	Mar. 7	Mar. 8	Mar. 7	Mar. 8	Mar. 7	Mar. 8	Mar. 7	Mar. 8
Ind. div. yield %	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04

	Mar. 7	Mar. 8	Mar. 7	Mar. 8	Mar. 7	Mar. 8	Mar. 7	Mar. 8	Mar. 7	Mar. 8
Ind. div. yield %	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04

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Ind. div. yield %	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04

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Ind. div. yield %	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04

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Ind. div. yield %	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04

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Ind. div. yield %	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04

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Ind. div. yield %	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04

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Ind. div. yield %	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04

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Ind. div. yield %	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04

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Ind. div. yield %	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04

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Ind. div. yield %	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04

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Ind. div. yield %	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04

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Ind. div. yield %	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04

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Ind. div. yield %	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04

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Ind. div. yield %	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04

	Mar. 7	Mar. 8	Mar. 7	Mar. 8	Mar. 7	Mar. 8	Mar. 7	Mar. 8	Mar. 7	Mar. 8
Ind. div. yield %	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04

	Mar. 7	Mar. 8	Mar. 7	Mar. 8	Mar. 7	Mar. 8	Mar. 7	Mar. 8	Mar. 7	Mar. 8
Ind. div. yield %	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04

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Ind. div. yield %	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04

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Ind. div. yield %	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04

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Buoyant tone demonstrated by A1-share index record and fresh sharp gains of £1½ in Government stocks

Account Dealing Dates

*First Declara- Last Account
Dealing Dates Dealings Day
Feb. 26 Mar. 8 Mar. 20
Mar. 12 Mar. 22 Mar. 23 Apr. 3

New time dealings may take
place from 8.30 am two business days
earlier.

A fresh influx of investment funds drawn by considerations that the UK's economic situation has, thanks to North Sea oil, improved relative to other industrialised countries made for buoyant conditions in stock markets yesterday. The FT-Actuaries All-Share Index hit a best-ever high of 2,445.12, while the 100 Govt. Stock Index rose to 1,115.12. The buoyant tone in the equity sector, while gilt-edged securities, after Tuesday's reaction, moved ahead again to establish fresh gains extending to 11 points.

The funds designated for industrial shares were sizeable but often directed at stocks already in short supply. This had the effect of creating bear queues which gave the upward momentum, especially in the case of selected Store issues such as Gussies. On the other hand, some other leading stocks were virtually ignored.

Political considerations in the light of the Government's current precarious position were also a factor in market sentiment along with the NIESR call for a neutral rather than a positively dovish Budget. The Institute's predictions regarding consumer spending ensured a good interest in the Store sector, while the continued strength of sterling coupled with yields on Government stocks still in excess of 10 per cent added to revived overseas enthusiasm for British Funds.

The latter, despite the development of more than one reactionary movement during the course of the session, settled at the day's highest and was extending the rise in trade after the official close. Medium-sized stocks scored the larger gains with the recent Government scrip, £15-100 Exchequer 13½ per cent 1982, which a call of £3½ is due on March 19, reaching 23½ after-hours' for an improvement of 1½.

Despite below-average performances by at least five of the FT-Actuaries constituents, the index advanced 10.7 to 2,445.12, its highest since compilation in April 1962. Revised institutional selling in a market already affected by the trend of sterling brought rates for investment currency down again and the close was

two points lower at 781 per cent.

Yesterday's SE-conversion factor was 0.7126 (0.7131).

The Traded Option market attracted a high level of interest in keeping with the surrounding buoyancy. At the close, 1,647 contracts had been completed compared with the previous day's 855.

Caledonian Holdings touched 158p before shading to 155p for a net rise of 7 on the increased offer worth 155p from London and Midland Industrial, which ended at 30p. Rival bidders Comet Radiovision announced a penny harder at 113p, after 120p, while Harris Queensway, which conditionally promised to acquire Timberland, the home improvement division of Caledonian gained 16 to 224p.

Midland better

Home banks took a modest turn for the better after recent profit-taking following reductions in base lending rates. Ahead of tomorrow's preliminary results, Midland closed 5 better at 395p, after 396p. Reflecting the fresh upsurge in gilt-edged, Discounts moved higher with Union particularly firm at 360p, up 20. Elsewhere, Lloyds and Scottish found support at 118p, up 5.

The exception of Brentnall/Beard, which fell 4 to 32p, after 30p, in reaction to adverse comment, Insurances contributed to the firm trend and closed with gains ranging from 14.

Aveller conditions prevailed in the Brewery sector after the previous day's spell of inactivity. Demand was fairly widespread throughout the list and, with stock sometimes in short supply, prices were quick to respond. Bass stood out with a rise of 6 at 176p, while a brisk business was seen in Allied, 3½ higher at 80½p. Distillers moved up 6 to 235p and buying in an extremely thin market lifted Gough Bros. 11 to 78p.

Demand for Building issues remained selective, but late interest lifted Blue Circle 8 to 282p, London Brick 3½ to 70½p and Redland 5 to 134p. Publicity given to a broker's circular revealed BRP record a gain of 12 to 270p. Others to encounter support included SGB which added 9 to 230p and Costain Deferred which improved 10 to 130p.

Business in leading Chemicals remained relatively slow, Fleets, still influenced by the favourable annual results, pushed up 10 to 333p and ICI, with buyers undeterred by the chairman's

remarks on current trading uncer-
tainities, firmed 7 to 396p.

Allied Colloids met persistent demand and rose 6 to 101p.

Stores buoyant

The encouraging NIESR review on the outlook for consumer spending helped to spark off considerable demand for the Store leaders which continued into the late inter-office dealings. With stock in short supply, quotations moved sharply higher and closing levels were the day's best. Gussies A were outstanding at 354p, up 16, while F. W. Woolworth ended 4 to the good at 74½p following the satisfactory results and property revaluation surplus. Still being bought on a combination of enfranchisement and bid hopes, Burton, 265p, and the A. 242p, rose 10 and 8 respectively, while the Warrants advanced 4 to 101p. Marks and Spencer put on 4 to 97p and British Home added 8 to 108p.

Persistent buying ahead of the shares going ex the 400 per cent scrip-issue on Monday left Status Discount with a rise of 27 at 320p, while MFI Furniture firmed 15 more to 183p. The firm's further demand ahead of the forthcoming reorganisation. Home Charm, 311p, and A. G. Stanley, 197p, rose 8 and 6 respectively, while Cornhill Dressed put on 4 to 30p, after 21p, in response to the profits upsurge. Foster Bros, advanced 11 to 207p and A. J. Gelfer appreciated 5 to 44p as did J. Hepworth, to 78p.

Electricals claimed a considerable amount of attention. Trading in the leaders was quite lively and EMI revived with a rise of 5 at 122p, while GEC closed similarly dearer at 363p, after 367p. Buyers showed interest in Thora which closed at 390p, before settling at 386p for a rise of 10. Elsewhere, Kode International responded to the good preliminary results with a rise of 9 to 194p. Murdoch moved up 16 to 278p and Whitehead Fittings were similarly dearer at 274p.

A relatively lively business developed in GKN, which closed 9 to the good at 251p, after 252p. Elsewhere in the Engineering leaders, John Brown revived with a gain of 6 to 469p, while Hawker Siddeley improved a similar amount to 230p and Tubes firmed 4 to 364p. Assisted by a broker's recommendation, Matthew Hall pushed ahead to close 14 higher at 254p. News of the acquisition of Unichem International continued to stimulate Simon Engle-
neering, up 5 further at 265p, while favourable Press mention prompted a rise of 4 to 46p in

J. and H. B. Jackson. James

Austin rose 6 to 125p on news that Trumans Steel Corporation owns 18.7 per cent of the company's share capital. Revived demand in a restricted market lifted Williams and James 8 to 175p.

A busy Foods sector recorded widespread gains with stock shortages accentuating some rises. Sunbeam's Y. Salter's put on 18 to 278p, while Tesco firmed 2 to 62p and Associated Dairies added 9 at 245p. Lennons and Bejam improved 3 apiece to 38p and 71p respectively. Elsewhere, Spillers advanced further to 140p and hardened a penny to 44p, while British Sugar revived with a rise of 11 to 150p, as did Lockwoods, which put on 6 to 114p.

In briskly traded Hotels and Catering, Trust Houses 140p, Steered out at 262p, up 10. Ladbroke firmed 6 to 195p and renewed interest lifted Comfort 2 to 33p.

Unilever rally

Persistent demand in a market none too well supplied with stock brought good rises to the miscellaneous Industrial leaders which closed at the day's best. Unilever rallied 20 to 610p following the new all-paid shares added to the group's big dividend reserve, while rises of 13 and 18 respectively were recorded in Glaxo, 548p, and Becton, 688p. Rank Organisation put on 7 to 290p, while the new all-paid shares added 6 to 36p premium and Boots rose 7 to 208p. Still drawing strength from last week's favourable trading statement, Diploma Investments advanced 16 to 250p, after 249p, while the latter 8 to 10p.

Among Shipping, P. and O. Deferred eased to 70p before recovering to close 14 dearer on balance at 72½p, while Furness Withy met with support at 232p, up 7.

In South African, Greatermans A lost 17 more to 150p on further consideration of the poor interest rate situation. The impressive profits forecast by Guthrie in defence to

on 7 to 178p, and the latter rose

to 237p. Firm spots among Motors and Distributors included Lucas, which improved 6 to 289p, and Dowsy, which added 9 to 285p. Group Lotus picked up 3 to 52p, while in Garages, British Car

Auction, interim results next Monday, firmed 4½ to 73p. Avoiding today's annual results, meetings card concern, W. N. Sharpe put on 11 to 158p. Properties adopted a quietly firm stance with Hammonds A 20 up at 750p, while County and District and Property Partners added 5 apiece to 178p and 138p respectively. Belfast-based Laganair Estates jumped 9 to 23p on news that Merghyll Investments had acquired a 51 per cent stake in the company.

Oil advance

Oil leaders made a good showing, but after a reasonably brisk trade during the morning, interest tended to fade. The final tone, however, was fully firm and British Petroleum closed 16 higher at a fresh peak of 1064p, while Shell gained 6 to 660p awaiting today's annual results. Among the more speculative issues, Aram Energy moved up 10 to 30p and Attock 8 to 38p. Trusts recorded widespread gains, while in Financials, Dalgely rose 9 to 330p following news of the firm agreed bid for Windcombe Carson.

Among Shipments, P. and O. Deferred eased to 70p before recovering to close 14 dearer on balance at 72½p, while Furness Withy met with support at 232p, up 7.

In South African, Greatermans A lost 17 more to 150p on further consideration of the poor interest rate situation. The impressive profits forecast by Guthrie in defence to

Some Darby's offer brought only

a modest response from the former, which touched 50p before closing 2 better on balance at 517p; S.D. closed 2 lower at 97p.

Gold's edge higher

South African Golds made progress for the first time in eight trading days following the release of \$2.25 billion in the bullion price to \$241.25 per ounce in front of the outcome to yesterday's International Monetary Fund gold auction. Share prices edged higher throughout the day and were unaffected by news of the wide spread strikes at the South African mines. Most of the buying came from Johannesburg and the Continent.

The Gold Mines index added 1.0 to 160.0 while the ex-premium index put on 0.6 at 114.0.

De Beers were notably weak in an otherwise mixed South African Financials section. Profit-taking after the excellent results saw the shares fall from 452p at the outset to 444p at the close for a net loss of 12 reflecting widespread London and overseas selling.

On the other hand Union Corporation made good progress following its results to finish 6 higher at 354p. General Mining marked time at 45p following news that the 1978 results have been delayed until next Tuesday.

The Rumble oil shale partners were a feature in Australian as heavy American buying pushed Central Pacific Minerals 70 higher at 470p and Southern Pacific Petroleum up 30 to 200p. Uranium moved up on news that the Federal Government has given the go-ahead to the Nabrisk project of Queensland Mines, which had been outstanding and finally 75 firmer at 850p, after 875p.

FINANCIAL TIMES STOCK INDICES

	March 7	March 6	March 5	March 4	March 3	Feb. 29	Year Ago
Government Secs.	71.60	71.13	71.07	71.40	70.18	70.60	70.87
Fixed Interest	72.01	71.87	72.25	71.12	70.41	70.94	71.41
Industrial	496.9	486.3	484.6	484.6	478.1	481.6	440.7
Gold Mines	160.0	159.0	161.2	163.8	171.7	170.8	158.6
Gold Mines (Ex-5 pm)	114.0	113.4	113.9	117.4	119.0	120.3	120.3
Ord. Div. Yield	5.66	5.79	5.76	5.81	5.82	5.87	6.04
Earnings Yld (Full)	14.69	15.12	15.13	15.19	15.47	15.34	17.76
P/E Ratio (net)	8.86	8.57	8.57	8.53	8.58	8.48	7.98
Debt to Equity	6.729	6.433	6.734	6.889	6.988	7.289	6.446
Equity turnover	—	97.33	123.88	110.68	135.58	120.41	70.97
Equity bargains total	—	11,542	20,787	19,169	18,920	22,222	14,728

10 am 451.5, 11 am 452.8, Noon 454.0, 1 pm 455.0, 2 pm 455.1, 3 pm 456.3, 4 pm 457.5, 5 pm 458.8, 6 pm 459.5, 7 pm 460.2, 8 pm 461.0, 9 pm 461.8, 10 pm 462.5, 11 pm 463.2, 12 pm 464.0, 1 pm 464.8, 2 pm 465.5, 3 pm 466.2, 4 pm 467.0, 5 pm 467.8, 6 pm 468.5, 7 pm 469.2, 8 pm 470.0, 9 pm 470.8, 10 pm 471.5, 11 pm 472.2, 12 pm 473.0, 1 pm 473.8, 2 pm 474.5, 3 pm 475.2, 4 pm 476.0, 5 pm 476.8, 6 pm 477.5, 7 pm 478.2, 8 pm 479.0, 9 pm 479.8, 10 pm 480.5, 11 pm 481.2, 12 pm 482.0, 1 pm 482.8, 2 pm 483.5, 3 pm 484.2, 4 pm 485.0, 5 pm 485.8, 6 pm 486.5, 7 pm 487.2, 8 pm 488.0, 9 pm 488.8, 10 pm 489.5, 11 pm 490.2, 12 pm 491.0, 1 pm 491.8, 2 pm 492.5, 3 pm 493.2, 4 pm 494.0, 5 pm 494.8, 6 pm 495.5, 7 pm 496.2, 8 pm 497.0, 9 pm 497.8, 10 pm 498.5, 11 pm 499.2, 12 pm 500.0, 1 pm 500.8, 2 pm 501.5, 3 pm 502.2, 4 pm 503.0, 5 pm 503.8, 6 pm 504.5, 7 pm 505.2, 8 pm 506.0, 9 pm 506.8, 10 pm 507.5, 11 pm 508.2, 12 pm 509.0, 1 pm 509.8, 2 pm 510.5, 3 pm 511.2, 4 pm 512.0, 5 pm 512.8, 6 pm 513.5, 7 pm 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636.5, 3 pm 637.2, 4 pm 638.0, 5 pm 638.8, 6 pm 639.5, 7 pm 640.2, 8 pm 641.0, 9 pm 641.8, 10 pm 642.5, 11 pm 643.2, 12 pm 644.0, 1 pm 644.8, 2 pm 645.5, 3 pm 646.2, 4 pm 647.0, 5 pm 647.8, 6 pm 648.5, 7 pm 649.2, 8 pm 650.0, 9 pm 650.8, 10 pm 651.5, 11 pm 652.2, 12 pm 653.0, 1 pm 653.8, 2 pm 654.5, 3 pm 655.2, 4 pm 656.0, 5 pm 656.8, 6 pm 657.5, 7 pm 658.2, 8 pm 659.0, 9 pm 659.8, 10 pm 660.5, 11 pm 661.2, 12 pm 662.0, 1 pm 662.8, 2 pm 663.5, 3 pm 664.2, 4 pm 665.0, 5 pm 665.8, 6 pm 666.5, 7 pm 667.2, 8 pm 668.0, 9 pm 668.8, 10 pm 669.5, 11 pm 670.2, 12 pm 671.0, 1 pm 671.8, 2 pm 672.5, 3 pm 673.2, 4 pm 674.0, 5 pm 674.8, 6 pm 675.5, 7 pm 676.2, 8 pm 677.0, 9 pm 677.8, 10 pm 678.5, 11 pm 679.2, 12 pm 680.0, 1 pm 680.8, 2 pm 681.5, 3 pm 682.2, 4 pm 683.0, 5 pm 683.8, 6 pm 684.5, 7 pm 685.2, 8 pm 686.0, 9 pm 686.8, 10 pm 687.5, 11 pm 688.2, 12 pm 689.0, 1 pm 689.8, 2 pm 690.5, 3 pm 691.2, 4 pm 692.0, 5 pm 692.8, 6 pm 693.5, 7 pm 694.2, 8 pm 695.0, 9 pm 695.8, 10 pm 696.5, 11 pm 697.2, 12 pm 698.0, 1 pm 698.8, 2 pm 699.5, 3 pm 700.2, 4 pm 701.0, 5 pm 701.8, 6 pm 702.5, 7 pm 703.2, 8 pm 704.0, 9 pm 704.8, 10 pm 705.5, 11 pm 706.2, 12 pm 707.0, 1 pm 707.8, 2 pm 708.5, 3 pm 709.2, 4 pm 710.0, 5 pm 710.8, 6 pm 711.5, 7 pm 712.2, 8 pm 713.0, 9 pm 713.8, 10 pm 714.5, 11 pm 715.2, 12 pm 716.0, 1 pm 716.8, 2 pm 717.5, 3 pm 718.2, 4 pm 719.0, 5 pm 719.8, 6 pm 720.5, 7 pm 721.2, 8 pm 722.0, 9 pm 722.8, 10 pm 723.5, 11 pm 724.2, 12 pm 725.0, 1 pm 725.8, 2 pm 726.5, 3 pm 727.2, 4 pm 728.0, 5 pm 728.8, 6 pm 729.5, 7 pm 730.2, 8 pm 731.0, 9 pm 731.8, 10 pm 732.5, 11 pm 733.2, 12 pm 734.0, 1 pm 734.8, 2 pm 735.5, 3 pm 736.2, 4 pm 737.0, 5 pm 737.8, 6 pm 738.5, 7 pm 739.2, 8 pm 740.0, 9 pm 740.8, 10 pm 741.5, 11 pm 742.2, 12 pm 743.0, 1 pm 743.8, 2 pm 744.5, 3 pm 745.2, 4 pm 746.0, 5 pm 746.8, 6 pm 747.5, 7 pm 748.2, 8 pm 749.0, 9 pm 749.8, 10 pm 750.5, 11 pm 751.2, 12 pm 752.0, 1 pm 752.8, 2 pm 753.5, 3 pm 754.2, 4 pm 755.0, 5 pm 755.8, 6 pm 756.5, 7 pm 757.2, 8 pm 758.0, 9 pm 758.8, 10 pm 759.5, 11 pm 760.2, 12 pm 761.0, 1 pm 761.8, 2 pm 762.5, 3 pm 763.2, 4 pm 764.0, 5 pm 764.8, 6 pm 765.5, 7 pm 766.2, 8 pm 767.0, 9 pm 767.8, 10 pm 768.5, 11 pm 769.2, 12 pm 770.0, 1 pm 770.8, 2 pm 771.5, 3 pm 772.2, 4 pm 773.0, 5 pm 773.8, 6 pm 774.5, 7 pm 775.2, 8 pm 776.0, 9 pm 776.8, 10 pm 777.5, 11 pm 778.2, 12 pm 779.0, 1 pm 779.8, 2 pm 780.5, 3 pm 781.2, 4 pm 782.0, 5 pm 782.8, 6 pm 783.5, 7 pm 784.2, 8 pm 785.0, 9 pm 785.8, 10 pm 786.5, 11 pm 787.2, 12 pm 788.0, 1 pm 788.8, 2 pm 789.5, 3 pm 790.2, 4 pm 791.0, 5 pm 791.8, 6 pm 792.5, 7 pm 793.2, 8 pm 794.0, 9 pm 794.8, 10 pm 795.5, 11 pm 796.2, 12 pm 797.0, 1 pm 797.8, 2 pm 798.5, 3 pm 799.2, 4 pm 800.0, 5 pm 800.8, 6 pm 801.5, 7 pm 802.2, 8 pm 803.0, 9 pm 803.8, 10 pm 804.5, 11 pm 805.2, 12 pm 806.0, 1 pm 806.8, 2 pm 807.5, 3 pm 808.2, 4 pm 809.0, 5 pm 809.8, 6 pm 810.5, 7 pm 811.2, 8 pm 812.0, 9 pm 812.8, 10 pm 813.5, 11 pm 814.2, 12 pm 815.0, 1 pm 815.8, 2 pm 816.5, 3 pm 817.2, 4 pm 818.0, 5 pm 818.8, 6 pm 819.5, 7 pm 820.2, 8 pm 821.0, 9 pm 821.8, 10 pm 822.5, 11 pm 823.2, 12 pm 824.0, 1 pm 824.8, 2 pm 825.5, 3 pm 826.2, 4 pm 827.0, 5 pm 827.8, 6 pm 828.5, 7 pm 829.2, 8 pm 830.0, 9 pm 830.8, 10 pm 831.5, 11 pm 832.2, 12 pm 833.0, 1 pm 833.8, 2 pm 834.5, 3 pm 835.2, 4 pm 836.0, 5 pm 836.8, 6 pm 837.5, 7 pm 838.2, 8 pm 839.0, 9 pm 839.8, 10 pm 840.5, 11 pm 841.2, 12 pm 842.0, 1 pm 842.8, 2 pm 843.5, 3 pm 844.2, 4 pm 845.0, 5 pm 845.8, 6 pm 846.5, 7 pm 847.2, 8 pm 848.0, 9 pm 848.8, 10 pm 849.5, 11 pm 850.2, 12 pm 851.0, 1 pm 851.8, 2 pm 852.5, 3 pm 853.2, 4 pm 854.0, 5 pm 854.8, 6 pm 855.5, 7 pm 856.2, 8 pm 857.0, 9 pm 857.8, 10 pm 858.5, 11 pm 859.2, 12 pm 860.0, 1 pm 860.8, 2 pm 861.5, 3 pm 862.2, 4 pm 863.0, 5 pm 863.8, 6 pm 864.5, 7 pm 865.2, 8 pm 866.0, 9 pm 866.8, 10 pm 867.5, 11 pm 868.2, 12 pm 869.0, 1 pm 869.8, 2 pm 870.5, 3 pm 871.2, 4 pm 872.0, 5 pm 872.8, 6 pm 873.5, 7 pm 874.2, 8 pm 875.0, 9 pm 875.8, 10 pm 876.5, 11 pm 877.2, 12 pm 878.0, 1 pm 878.8, 2 pm 879.5, 3 pm 880.2, 4 pm 881.0, 5 pm 881.8, 6 pm 882.5, 7 pm 883.2, 8 pm 884.0, 9 pm 884.8, 10 pm 885.5, 11 pm 886.2, 12 pm 887.0, 1 pm 887.8, 2 pm 888.5, 3 pm 889.2, 4 pm 890.0, 5 pm 890.8, 6 pm 891.5, 7 pm 892.2, 8 pm 893.0, 9 pm 893.8, 10 pm 894.5, 11 pm 895.2, 12 pm 896.0, 1 pm 896.8, 2 pm 897.5, 3 pm 898.2, 4 pm 899.0, 5 pm 899.8, 6 pm 900.5, 7 pm 901.2, 8 pm 902.0, 9 pm 902.8, 10 pm 903.5, 11 pm 904.2, 12 pm 905.0, 1 pm 905.8, 2 pm 906.5, 3 pm 907.2, 4 pm 908.0, 5 pm 908

OFFSHORE AND OVERSEAS FUNDS

[illegible]

FINANCE LAND—Continued

MINES—Continue

AUSTRALIAN

[illegible][illegible]

COPPER									
104	54	Messina RO 50	90	-1	-	-	-	-	-
MISCELLANEOUS									
74	35	Baryman	64	-1	-	-	-	-	-
17	9	Burns Mines 1750	1	-	-	-	-	-	-
345	245	Cons. March 10C	325	-5	-	-	-	-	-
446	165	Norhtgate C51	360	-10	-	-	-	-	-
299	164	R.T.Z.	292	+2	9.5	-	-	2.8	4
90	30	Sabina Inds. C51	55	-	-	-	-	-	-

GOLDS EX-S PREMIUM			
London quotations for selected South African gold mining shares in U.S. dollars, including the investment dollar premium. These prices are for U.S. residents.			
\$15.00	De Beers R2	\$13.14	0190c
\$14.00	East Drie R1	980c	+13
\$13.00	East Drie R2	420c	+5
\$12.00	Exs Rand Pr. R1	510c	0110c
\$11.00	F.S. Geduld 50c	\$22	+5
\$10.00	Frans. Brand 50c	\$13.14	0150c
\$9.00	General 50c	\$13.14	0150c
\$8.00	Gold Reef 50c	\$22	+5
\$7.00	Kimberley 50c	\$22	+5
\$6.00	Langlaagte 50c	\$22	+5
\$5.00	Marikana 50c	\$22	+5
\$4.00	North Star 50c	\$22	+5
\$3.00	Roodepoort 50c	\$22	+5
\$2.00	West Drie R1	\$22	+5
\$1.00	West Drie R2	\$22	+5
\$0.50	West Drie R3	\$22	+5
\$0.25	West Drie R4	\$22	+5
\$0.125	West Drie R5	\$22	+5
\$0.0625	West Drie R6	\$22	+5
\$0.03125	West Drie R7	\$22	+5
\$0.015625	West Drie R8	\$22	+5
\$0.0078125	West Drie R9	\$22	+5
\$0.00390625	West Drie R10	\$22	+5
\$0.001953125	West Drie R11	\$22	+5
\$0.0009765625	West Drie R12	\$22	+5
\$0.00048828125	West Drie R13	\$22	+5
\$0.000244140625	West Drie R14	\$22	+5
\$0.0001220703125	West Drie R15	\$22	+5
\$0.00006103515625	West Drie R16	\$22	+5
\$0.000030517578125	West Drie R17	\$22	+5
\$0.0000152587890625	West Drie R18	\$22	+5
\$0.00000762939453125	West Drie R19	\$22	+5
\$0.000003814697265625	West Drie R20	\$22	+5
\$0.0000019073486328125	West Drie R21	\$22	+5
\$0.00000095367431640625	West Drie R22	\$22	+5
\$0.000000476837158203125	West Drie R23	\$22	+5
\$0.0000002384185791015625	West Drie R24	\$22	+5
\$0.00000011920928955078125	West Drie R25	\$22	+5
\$0.000000059604644775390625	West Drie R26	\$22	+5
\$0.0000000298023223876953125	West Drie R27	\$22	+5
\$0.00000001490116119384765625	West Drie R28	\$22	+5
\$0.000000007450580596923828125	West Drie R29	\$22	+5
\$0.0000000037252902984619140625	West Drie R30	\$22	+5
\$0.00000000186264514923095703125	West Drie R31	\$22	+5
\$0.000000000931322574615478515625	West Drie R32	\$22	+5
\$0.000000000465661287307739278125	West Drie R33	\$22	+5
\$0.0000000002328306436538696390625	West Drie R34	\$22	+5
\$0.00000000011641532182693481953125	West Drie R35	\$22	+5
\$0.0000000000582076609134674096875	West Drie R36	\$22	+5
\$0.00000000002910383045673370484375	West Drie R37	\$22	+5
\$0.000000000014551915228366852421875	West Drie R38	\$22	+5
\$0.0000000000072759576141834262109375	West Drie R39	\$22	+5
\$0.00000000000363797880709171310546875	West Drie R40	\$22	+5
\$0.000000000001818989403545856552734375	West Drie R41	\$22	+5
\$0.0000000000009094947017729282763671875	West Drie R42	\$22	+5
\$0.00000000000045474735088641413818359375	West Drie R43	\$22	+5
\$0.000000000000227373675443207070916796875	West Drie R44	\$22	+5
\$0.0000000000001136868377216035354589890625	West Drie R45	\$22	+5
\$0.00000000000005684341886080176772949453125	West Drie R46	\$22	+5
\$0.000000000000028421709430400883864747265625	West Drie R47	\$22	+5
\$0.0000000000000142108547152004419323736328125	West Drie R48	\$22	+5
\$0.00000000000000710542735760022096618681640625	West Drie R49	\$22	+5
\$0.00000000000000355271367880011048309340409375	West Drie R50	\$22	+5
\$0.0000000000000017763568394000552415467202078125	West Drie R51	\$22	+5
\$0.00000000000000088817841970002762077336010390625	West Drie R52	\$22	+5

NOTES:

Unless otherwise indicated, prices and net dividends are in pence and denominated as 25p. Estimated price/earnings ratios are covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures. P/E's are calculated on the basis of net distributions; bracketed figures indicate 10 p cent, or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution. Yields are based on mid-market prices, are gross, adjusted to ACT of 33 per cent and allow for value of declared distributions and rights. Securities with

- ▲ Sterling denominated securities which include Investment premium.
- "Tag" premium.
- High and Low marked thus have been adjusted to allow for right issues for cash.
- Interim since increased or resumed.
- Interim since reduced, passed or deferred.
- Tax-free to non-residents on application.
- Figures or report awaited.
- Unlisted security.
- Price at time of suspension.
- Indicated dividend after pending stock and/or rights issue: cover

- Refuses to present dividend forecasts.
- Mergers or acquisitions in progress.
- Not comparable.
- Same interest: reduced final and/or reduced earnings indicated.
- Forecast dividend; cover on earnings updated by latest interim statement.
- Cover allows for conversion of shares not now ranking for dividends.
- Cover allows for conversion of shares not now ranking for dividends.
- Cover does not allow for shares which may also rank for dividends at a future date. No P/E ratio usually provided.
- Excluding a final dividend declaration.
- Regional price.
- No par value.
- Tax issues.
- Flowers based on prospectus or other official source.
- Dividend rate paid or payable on year.

100% of the total amount of the loan, and the balance of the loan shall be paid in 12 equal installments, starting from the month of the completion of the construction of the project. The interest rate shall be 12% per annum, and the interest shall be paid monthly. The borrower shall be responsible for the payment of the interest and principal of the loan. The lender shall have the right to foreclose the property in the event of default. The loan shall be secured by a mortgage on the property. The loan shall be subject to the terms and conditions of the loan agreement. The loan shall be made available to the borrower in the form of cash. The loan shall be made available to the borrower in the form of cash. The loan shall be made available to the borrower in the form of cash.

estimates for 1978-79. K Figures based on prospectus or other official estimates for 1978. N Dividend and yield based on prospectus or other official estimates for 1978. O Dividend and yield based on prospectus or other official estimates for 1978-79. Q Rights. T Figure assumed. 2 Dividendized to date. 44 Yield based on assumption. 5 Issued. B Rate say unchanged until maturity of stock.

Abbreviations: m ex dividend; w ex scrip issue; w ex rights; m ex all rights; m ex all rights and scrip; w ex capital distribution.

"Recent Issues" and "Rights" Page 26

This column is available to assist investors look for an idea

Exchanges throughout the United Kingdom for a fee of £40 per annum for each security

REGIONAL MARKETS

The following is a selection of London quotations of shares previously listed only in regional markets. Prices of Irish issues, most of which are not officially listed in London, are as quoted on the Irish exchange.

Libby Im. 20p	25	Sheff. Refr. smt	75
ash Spinning	106	Sindall (Wm.)	120

IRISH	
Conv. 94-80-62	711
Alliance Soc.	291
Arnott	400
Carroll (P.J.)	107
Clonlinda	93
Concrete Prods.	57
Helton (Higgs)	5
Inc. Corp.	180
Irish Repres.	100
Jacob	50
T. M. E.	216

Industrials					
Brew	6 1/2	I.C.I.	20	Unilever	35
OC Int'l	6	Imps	6	U.D.T.	7
S.R.	5	I.C.I.	40	Und. Drapery	7 1/2
Imvresk	21	Imvresk	3	Victors	15
Knock	11	KCA	7	Woolworths	5

[illegible]

17	Pineasy	8	Surman Oil	8
18	G.M.N.	5	Superheal	23
19	Raid	1	Shen	26
20	Reed Int'l.	3	Ultramar	26
21	Spillers	312		
22	Tesco	4	Mimes	
23	Thorn	22	Charter Const.	12
24	Trust Houses	118	Cons. Gold	12
25	Tube Invest.	306	Rio T. Zinc	16

A selection of Options traded is given on the London Stock Exchange Report page

[illegible][illegible][illegible][illegible]

26%	Empire Plants 10c	27		442.01	1	4
26%	Laurie Platts E.L.	28				
26%	Morgan E.L.	29		2.6		
33%	Moran E.L.	345		15.0		0.7
26%	Sigal Hodge 10c	10		1.7		0.7
26%	Warren Plans	190	+3	107.84		4.2
138	Williamson E.L.	190	-3	12.5		4.2

Sri Lanka						
123	Laurie E.L.	278		5.58	1.54	

Africa

130	Blaugre	760		(372.69)	0	1
130	Rose Estates	139at		9.0	0	1

MINES

CENTRAL RAND

140	Durban Deep R.L.	451	+	050c		1
244	East Rand Prop. R.L.	229	+	040c		1
26%	Pandorf's Int. R.L.	284	++	010c		
75%	West Rand R.L.	134	+	017pc		

EASTERN RAND

23%	Bracken 90c	98	+3	Q40c		1.42
57%	East Digger R.L.	27		740c		1
26%	R.G.O. No 90	273		740c		1
26%	Grootvlei 30c	112	-2	030c		1
21	Kimberly R.L.	317	-1	055c		1
26%	Kimberly R.L.	317	-1	055c		1

[illegible][illegible]

438	Uniqn Cms. 6.25c	354	+6	047c	4	6
439	Veget 2c	90		012c	4	8

DIAMOND AND PLATINUM

430	Amglo-Am. Inv. 20c	245c	+5	020c	1.1	7
431	Do. 10c	100c		055c	1.1	7
432	Do. 40c	110c		065c	1.1	7
433	Do. 40c P1, R5	210c		085c	1.1	7
434	Impala Pl. 20c	205	-1	018.8c	3.2	5
435	Lyndhurst 12c	87		01c	2.2	5
436	Rus. Pl. 10c	142	+1	03c	2.7	3

CENTRAL AFRICAN

437	Feather Rh. 50c	188		040c	1.7	5
438	Real C. 10c	172		037	7.25	4
439	Rioan Cms, K4	105	-3			
440	Wanise Cal. R1	9		09c	1.9	5
441	Zam. Exp. 1900-21	34c				

